

ASX Announcement
26 April 2016

LOAN AGREEMENT EXECUTED

The directors of Sunbird Energy Limited (SNY:ASX) (**Sunbird** or **Company**) advise that the Company has executed a new loan agreement (**Loan Agreement**) with MUSA Group (Pty) Ltd (**MUSA**) on the terms as detailed below.

The loan agreement will provide the Company with working capital to complete the asset sale announced by the Company on 18 April 2016 (**Transaction**).

As previously announced, the Transaction will be effected by the Company, among other things:

- undertaking a share sale to Sunbird Energy Holdings Pty Ltd (**Purchaser**), pursuant to a share sale agreement (**Share Sale**); and
- undertaking a selective share buyback pursuant to a buyback agreement (**Buyback**).

The Loan Agreement provides that on completion of the Share Sale and Buyback, the Loan Agreement is novated so that the Purchaser replaces the Company as the borrower under the Loan Agreement and the Company will be released of all its obligations under the Loan Agreement from that date.

If the Share Sale is not completed by 30 June 2016, this triggers an event of default under the Loan Agreement that gives rise to a right for the Lender to demand repayment of the loan plus interest.

Other main terms of the Loan Agreement are summarised as follows:

Loan amount:	ZAR5,000,000 or, if the Share Sale is not completed by 30 June 2016, AU\$435,000.
Interest rate:	25%
Repayment:	On the earlier of 31 December 2017 and the date on which the Ibhubesi Gas Project is fully funded and the decision is made to begin construction of project infrastructure.

**** ENDS ****

For further information please visit www.sunbirdenergy.com or contact:

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