



## Paulsens Restart – Fully Funded

Black Cat Syndicate Limited (“**Black Cat**” or the “**Company**”) is pleased to advise that it has entered into a credit approved, term sheet with Nebari Natural Resources Credit Fund II, LP (“**Nebari**”) for a 3 year, US\$20.5M (~A\$31.5M) senior secured loan note facility (“**Facility**”). As a result and subject to Completion, the restart of the 100% owned Paulsens Gold Operation (“**Paulsens**”) is now fully funded<sup>1</sup>.

### HIGHLIGHTS

Subject to Completion, the restart of Paulsens is now fully funded<sup>1</sup> and key terms of the Facility include (detailed in Schedule 1):

- The US\$20.5M Facility comprises two tranches, as follows:
  - **Base Facility (Tranche 1):** US\$17M (~A\$26.1M) expected to be drawn in October 2024 at Completion and following satisfaction of certain standard conditions precedent; and
  - **Stand-by Facility (Tranche 2):** US\$3.5M (~A\$5.4M) provided on a standby basis and only drawn at the Company’s discretion, with Nebari consent.
- Tenor: the Facility has a 3 year tenor and the Company has the option of early payout.
- Completion: financial close is expected in October 2024 and is subject to due diligence and formal documentation.
- Amortisation: straight-line amortisation of principal commencing 12 months after the Completion, with the remaining amount plus 3.75% original issuer discount (“**OID**”) at the maturity date.
- Coupon: 3-month Secured Overnight Financing Rate (“**SOFR**”) + 8.75% pa, with interest payments commencing 9 months after financial close.
- Warrants: Under the Facility, Black Cat is to issue unlisted warrants to Nebari on the drawdown of each of Tranche 1 and Tranche 2. The indicative terms of the warrants are detailed in Schedule 1 and in the Pro-Forma Capital Structure. An Appendix 3B will follow this announcement regarding the proposed issue of the warrants.

The Facility is subject to the execution of formal documentation and other customary conditions precedent, which will be completed with the ongoing assistance of Leeuwin Capital Partners, the Company’s debt adviser.

Key benefits include:

- Subject to Completion, full funding for Paulsens restart;
- No mandatory commodity or foreign exchange hedging with US\$ debt providing a natural hedge to gold revenues;
- The stand-by facility provides contingency, if required;
- Covenant light;
- Provides the ability for early repayment; and
- Repayment schedule that does not pressure Paulsens restart cashflows.

Black Cat’s Managing Director, Gareth Solly, said: “*After a competitive tender process and subject to Completion, full funding for the Paulsens restart is in place. With the assistance of our debt advisors Leeuwin Capital Partners, and DLA Piper our legal counsel, this financing arrangement will provide flexibility as we commence production at Paulsens. We are delighted to have formed this relationship with an experienced resource lender such as Nebari and we look forward to working together throughout this exciting phase for Black Cat.*”

<sup>1</sup> Subject to the execution of formal Facility documentation and other customary conditions precedent and Facility funding.

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## INDICATIVE TERMS OF WARRANTS

Under the Facility, Black Cat is to issue unlisted warrants to Nebari on the closing date of each of Tranche 1 and Tranche 2. The number and strike prices of the Tranche 1 and Tranche 2 warrants will be determined by reference to the market price of Black Cat's shares, at those times, on the following basis<sup>2</sup>:

- Number: The number of Tranche 1 and Tranche 2 warrants will be equal to 20% of the funds drawn under Tranche 1 or Tranche 2 (as applicable) divided by the Tranche 1 strike price or Tranche 2 strike price (as applicable).
- Strike price: The strike price for the Tranche 1 and Tranche 2 warrants will be:
  - in the case of the Tranche 1 warrants, a value equal to a 30% premium to the Company's share price that is the lower of the 20-day volume average weighted price ("VWAP") of the Company's shares at (i) date of execution of the term sheet, (ii) the date the Facility is announced, or (iii) the Tranche 1 closing date; and
  - in the case of the Tranche 2 warrants, a value equal to a 30% premium to the Company's share price that is the lower of the 20-day VWAP of the Company's shares at (i) date of receipt of a Tranche 2 draw down notice, (ii) the date the Company makes an announcement regarding drawing down Tranche 2; or (iii) the Tranche 2 closing date.

The warrants will have an expiry date of 3 years from the date of issue. The warrants will be on customary terms for unlisted warrants, including standard adjustment provisions for any share splits or capital reorganisations undertaken by the Company. The 20-day VWAP of the Company's share price up until 2 August 2024 was 36.5c, and based on the above premium results in a strike price of 47.5c. Applying the above assumptions, the estimated number of warrants for Tranche 1 are 11,436,000 and for Tranche 2 are 2,355,000.

## ABOUT NEBARI

Nebari is a US-based investment manager, specialized in privately offered pooled investment vehicles. The growing Nebari team has vast experience with leading global mining companies and financial institutions. Nebari is known for partnering with motivated and capable management teams, focused on achieving clear goals, supported by technically strong assets.

## ABOUT LEEUWIN

Leeuwin is an independent firm, based in Perth, Western Australia, providing debt capital advisory and related services nationally to the corporate, resources, energy, infrastructure and property sectors.

Leeuwin has a dedicated team supporting mining sector clients, drawing on significant advisory and banking experience to advise boards and executive teams. Leeuwin comprehensively assess capital requirements and work alongside management to procure and deliver optimal funding solutions.

## PRO-FORMA DEBT SCHEDULE

Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	~~~~~	Jul 25	~~~~~	Oct 25
TERM SHEET <sup>3</sup>								
DUE DILIGENCE								
FINANCIAL CLOSE								
INTEREST CAPITALISED								
						PRODUCTION & CASHFLOW		
						INTEREST ONLY PAID		
								PRINCIPAL & INTEREST PAID

Table 1: Debt and production schedule

<sup>2</sup> Because the closing date for Tranche 1 and Tranche 2 will not occur until after execution of the Facility, the actual number and strike price of the Tranche 1 and Tranche 2 warrants will not be known at the time of execution of the Facility. However, further details regarding the number and strike price of these warrants based on a 20-day VWAP of the Company's shares at the date of execution of the term sheet is set out in an Appendix 3B accompanying this announcement. The Company also expects to consult with ASX prior to execution of the Facility in relation to the terms of the warrants, and the issue of the warrants will be subject to the requirements of ASX (if any) following that consultation.

<sup>3</sup> Term sheet signing.

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## PRO-FORMA CAPITAL STRUCTURE

A pro-forma, post Convertible Note conversion and warrant exercise, capital structure is shown below:

Pro-Forma Capital Structure*	Fully Paid Ordinary Shares	Options / Performance Rights / warrants	Total Securities
Fully Paid Ordinary Shares	442,772,424	-	442,772,424
Listed Options @ \$0.3375 expiring 14 Nov 2025 (BC8)	-	18,288,899	18,288,899
Unlisted Options @ \$1.20 expiring 21 Jul 2024	-	129,000	129,000
Unlisted Options @ \$0.98 expiring 10 Dec 2024	-	202,000	202,000
Unlisted Options @ \$1.00 expiring 28 Jun 2025	-	330,000	330,000
Unlisted Options @ \$0.83 expiring 8 Nov 2025	-	80,000	80,000
Unlisted Options @ \$0.51 expiring 28 Jul 2026	-	618,000	618,000
Unlisted Options @ \$0.55 expiring 21 Feb 2027	-	710,000	710,000
Unlisted Options @ \$0.52 expiring 21 Mar 2027	-	300,000	300,000
Unlisted Options @ \$0.32 expiring 8 Feb 2028	-	1,430,000	1,430,000
Unlisted Options @ \$0.405 expiring 18 Apr 2028	-	300,000	300,000
Unlisted Options @ \$0.50 expiring 31 Jul 2027	-	4,000,000	4,000,000
Unlisted Options @ \$0.50 expiring 31 Aug 2027	-	2,000,000	2,000,000
Performance Rights expiring 30 Jun 2027	-	6,760,011	6,760,011
Performance Rights expiring 30 Jun 2028	-	407,664	407,664
<b>Pro-Forma Issued Capital</b>	<b>442,772,424</b>	<b>35,555,574</b>	<b>478,327,998</b>
\$9M Convertible Notes (if fully converted)	<b>40,000,000</b>	-	<b>40,000,000</b>
Indicative warrants associated with Facility (if fully exercised) expiring 36 months from date of issue:			
- Tranche 1*	-	<b>11,436,000</b>	<b>11,436,000</b>
- Tranche 2*	-	<b>2,355,000</b>	<b>2,355,000</b>
<b>Pro-Forma Issued Capital (if Convertible Notes converted and warrants exercised)</b>	<b>482,772,424</b>	<b>49,346,574</b>	<b>532,118,998</b>

Note: Pro-forma capital structure assumes that the \$30M equity placement from Sundy does not receive the requisite Australian, Chinese and/or Black Cat shareholder approvals.

\*Indicative warrant estimates calculated are shown in the indicative terms of warrants section above.

## PLANNED ACTIVITIES

Planned activities and announcements include:

- Aug - Dec 2024** Monthly progress reports on Myhree and Paulsens
- 14 Aug 2024:** Potential shareholder meeting re Sundy \$30M Equity Placement
- Aug - Sep 2024:** Myhree Ore haulage and processing commences
- Sep 2024:** Audited financial statements for year ended 30 June 2024
- Oct 2024:** Expected debt Facility Completion
- Oct 2024:** Quarterly Report
- Nov 2024:** Annual General Meeting of shareholders
- Dec 2024:** Paulsens low-grade stockpile processing and commissioning commences

For further information, please contact:

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This announcement has been approved for release by the Board of Black Cat Syndicate Limited.

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### SCHEDULE 1 - DEBT FACILITY US\$20.5M

#### Key Indicative Commercial Terms (subject to Completion)

<b>Borrower</b>	Black Cat Syndicate Limited ( <b>Borrower</b> )
<b>Lender</b>	Nebari Natural Resources Credit Fund II, LP ( <b>Nebari</b> )
<b>Facility Amount</b>	US\$20,500,000 ( <b>Facility</b> )
<b>Currency</b>	United States Dollar
<b>Maturity Date</b>	3 years post Financial Close
<b>Completion / Tranche 1 Drawdown</b>	Expected October 2024
<b>Interest</b>	3-month Secured Overnight Financing Rate (“ <b>SOFR</b> ”) + 8.75% pa, with interest payments commencing 9 months after Completion.
<b>Amortisation</b>	Straight-line amortisation of principal commencing 12 months after the Completion date, with the remaining amount plus 3.75% original issuer discount at the maturity date.
<b>Use of funds</b>	Part financing the Paulsens restart and other corporate and working capital expenses
<b>Security and Pledge</b>	First ranking security over the Paulsens and Coyote assets and the shares in the Kal East subsidiary.
<b>Warrants</b>	Under the Facility, Black Cat proposes to issue unlisted warrants to Nebari on the closing date of each of Tranche 1 and Tranche 2. The indicative terms of the warrants are detailed in this announcement. An Appendix 3B will follow this announcement regarding the proposed issue of the warrants.
<b>Events of Default</b>	Events of Default typical for this type of Facility.
<b>Conditions precedent to Completion</b>	Nebari due diligence, execution of formal Facility documentation and other customary conditions precedent.