



Extension of \$51m Funding Package

SUMMARY

- Black Cat has a vision of being the dominant player in three prolific gold districts – the Paulsens Gold Operation in the Pilbara (“**Paulsens**”), the Coyote Gold Operation in the west Tanami (“**Coyote**”) and the Kal East Project east of Kalgoorlie (“**Kal East**”). The restart of Paulsens is the first step in realising this vision.
- On 26 September 2023, a \$60m funding package to restart Paulsens was announced. The \$60m funding package included equity placements of \$45m to wholly owned subsidiaries of Fuyang Mingjin New Energy Development Co., Ltd (“**Mingjin**”) and Southeast Mingqing Supply Chain (Fuyang) Co., Ltd (“**Southeast Mingqing**”) and a secured debt facility of \$15m with Mingjin. The funding package (before costs) was comprised as follows:
 - Equity Placements (\$45m): the issue of ~200m fully paid ordinary shares at \$0.225 per share escrowed until 31 March 2027.
 - Secured Debt Facility (\$15m): provided on competitive terms with payments of principal and interest blended with expected production start-up/cashflow.
- On 27 December 2023, the \$60M funding package was restructured with a \$9M unsecured, convertible note facility (“**Convertible Notes**”) with Sundry Service Group Co Ltd (HK:09608, “**Sundry**”) and a comparable reduction in the equity placements from \$45m to \$36m. The Secured Debt Facility with Mingjin remained unchanged at \$15m.
- Completion of the remaining \$51m of the funding package is subject to conditions which include:
 - Foreign Investment Review Board and any other Australian regulatory approvals; and
 - Chinese regulatory approvals required for overseas direct investment.
- To accommodate possible regulatory delays in approvals for the Secured Debt Facility of \$15m and the remaining Equity Placement of \$36m, the parties have, by mutual agreement, extended the completion date of these facilities from 28 February 2024 to 31 May 2024. Notwithstanding the extension and given the gold price environment, the parties are working to accelerate funding within the extension period.
- The \$9m of funding already received is being applied in refurbishing the Paulsens processing facility. This includes securing long lead time items and early refurbishment works (ASX 9 Feb 2024).



Figure 1: Paulsens processing facility, where refurbishment activity has commenced.

Black Cat Syndicate Ltd (“**Black Cat**” or “**the Issuer**”) is pleased to announce that it has extended the timing of its remaining \$51m funding package. Subject to Completion, the funding package will be used to restart Paulsens and then for internal cashflows from Paulsens to be applied in restarting Coyote and developing Kal East.

Black Cat’s Managing Director, Gareth Solly, said:

“All parties are looking to facilitate the restart of Paulsens in a high gold price environment. The \$9 million of Convertible Notes funding already received is being applied to ordering long lead time items and the processing facility refurbishment. Regular updates will continue to be provided on our progress.

The regulatory approval process is progressing satisfactorily. While contingency has been allowed for possible delays, we are continuing to work with the parties to accelerate funding within the extension period.”

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The terms of the extended funding package, including the conditions precedent to the transactions are set out in Schedules 1, 2 and 3.

TABLE 1: PRO-FORMA CAPITAL STRUCTURE

Current Issued Capital	Fully Paid Ordinary Shares	Options / Performance Rights	Fully Diluted
Fully Paid Ordinary Shares	305,891,631	-	305,891,631
Listed Options @ \$0.3375 expiring 14 Nov 2025	-	18,444,455	18,444,455
Unlisted Options @ \$0.62 expiring 18 May 2024	-	250,000	250,000
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	-	555,000	555,000
Unlisted Options @ \$0.65 expiring 15 May 2026	-	220,000	220,000
Unlisted Options @ \$0.51 expiring 28 Jul 2026	-	768,000	768,000
Unlisted Options @ \$0.55 expiring 21 Feb 2027	-	1,070,000	1,070,000
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
Performance Rights expiring 30 Jun 2027	-	6,053,889	6,053,889
Performance Rights expiring 30 Jun 2028	-	440,277	440,277
Current Issued Capital – Total	305,891,631	30,192,621	336,084,252
\$9m Convertible Notes (when fully converted)	40,000,000	-	40,000,000
Issued Capital (post conversion of Convertible Notes)	345,891,631	30,192,621	376,084,252
To be Issued, Subject to Shareholder & Regulatory Approvals and Completion			
Fully Paid Ordinary Shares under voluntary escrow to 31 Mar 2027 (\$36m Equity Placement)	160,000,000	-	160,000,000
Unlisted Options @ \$0.54 expiring ~May 2027 (Richlink fee)	-	1,500,000	1,500,000
Pro-Forma Issued Capital	505,891,631	31,692,621	537,584,252

2024 PLANNED ACTIVITIES

13 - 15 Feb 2024:	RIU Explorers Conference, Fremantle
Feb 2024:	Regional RC drilling results – Paulsens
Feb - May 2024:	Approval and completion of \$9m Convertible Notes conversion, \$15m Secured Debt & \$36m Equity Placement
Mar 2024:	Half Year Financial Report
Apr 2024:	Quarterly Report

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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 – SECURED DEBT FACILITY \$15M

Key Commercial Terms (subject to Completion)

Borrower	Black Cat Syndicate Limited or its nominated subsidiary (Borrower)
Lender	Funyang Mingjin New Energy Developments Co., Ltd (Lender)
Facility Amount	\$15,000,000 (Facility)
Currency	Australian Dollar
Maturity Date	31 March 2027
Drawdown	Drawdown will occur 10 business days following the satisfaction of all Debt Conditions (Drawdown Date).
Interest	Interest is at a fixed rate of 12% pa.
Calculation & payment of interest	<p>From Drawdown Date, interest to be calculated and payable as follows:</p> <ol style="list-style-type: none"> for the period from the Drawdown Date to 30 September 2024 – interest shall be calculated daily and compounded monthly; and from 1 October 2024 until the Maturity Date – interest shall be calculated daily and payable monthly.
Repayment	Repayment of the Facility will occur in equal monthly instalments commencing on 1 April 2025.
Use of funds	Funds are to be used only for: payment of deferred payments to Northern Star Resources Ltd. (\$10m plus interest); restart of the Paulsens Gold Operation; and general working capital purposes.
Security and Pledge	First ranking security over the Paulsens, Coyote and Kal East upon Northern Star Resources Ltd. ceasing to hold its security interests.
Events of Default	Events of Default typical for this type of Facility.
Reporting requirements	Reporting requirements typical for this type of Facility.
Limitations on certain Transactions	Limitations typical for this type of Facility including: change the nature of its business; and divestment of material assets other than in the ordinary course of business.
Debt Conditions	<p>Conditional upon the satisfaction, or waiver if agreed between the parties in writing, of the following conditions prior to 31 May 2024 (End Date):</p> <ol style="list-style-type: none"> Black Cat receiving all necessary approvals of its shareholders as required by law or the Listing Rules of the ASX; If required, the Lender receiving all necessary approvals from the Australian Foreign Investment Review Board; the Lender receiving all required Chinese regulatory approvals; and Black Cat receiving all necessary consents.

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SCHEDULE 2 – UNSECURED CONVERTIBLE NOTES FACILITY \$9M

Key Commercial Terms (subject to Completion)

Issuer	Black Cat Syndicate Limited
Subscriber	Sundy Service Group Co Ltd
Maturity Date	31 March 2027
Principal Amount	9,000,000 Convertible Notes @ \$1 face value per Convertible Note.
Interest	10% per annum (including interest withholding tax): <ul style="list-style-type: none"> - capitalised until 30 September 2024; and - thereafter payable monthly in arrears.
Conversion Conditions	Conversion of the Convertible Notes is subject to satisfaction of the following conditions: <ul style="list-style-type: none"> a) the Issuer receiving shareholder approval to increase placement capacity; b) the Subscriber receiving approval from the Foreign Investment Review Board to acquire an equity interest in the Issuer; c) the Subscriber obtaining the Hong Kong Stock Exchange approval for the conversion of the Convertible Notes or the Subscriber confirming in writing that such approval is not required; and d) the Subscriber obtaining shareholder approval for the conversion of the Convertible Notes or the Subscriber confirming in writing that such approval is not required.
Conversion Price	Convertible into fully paid ordinary shares at \$0.225.
Conversion Shares	Upon satisfaction of the Conversion Conditions, the Subscriber may at any time prior to the Maturity Date, elect to convert all or part of the amount outstanding into Conversion Shares.
Conversion Shares to Rank Equally	Conversion Shares issued on conversion of the Convertible Notes will rank equally in all respects with existing fully paid ordinary shares.
Security	The Convertible Notes are unsecured.
Quotation	The Convertible Notes will not be quoted on the ASX. The Conversion Shares will be quoted on the ASX.
Redemption	Convertible Notes will be automatically redeemed on the Maturity Date if not already converted.
Repayment	The Issuer is entitled to repay all or part of any Amount Outstanding to the Subscriber prior to the Maturity Date without penalty by giving not less than 14 days' notice.
Issues and Reconstructions	If the Issuer issues shares under a bonus issue or makes a rights issue or (with the exception of a share purchase plan) offers to issue Shares to shareholders generally; or reorganises or reconstructs its capital (including consolidation, subdivision, reduction or return), at any time when there is an Amount Outstanding, then the Face Value will be amended to the extent applicable and allowable to place the Subscriber in substantially the same position as the Subscriber would have been had no such event occurred.
Voting Rights	The Convertible Notes carry no voting rights.
Board Representation	Subject to the conversion of the Convertible Notes, the Subscriber has the right to appoint a candidate for a director to the board of the Issuer after taking into account factors including: ASX and other regulations; the qualifications of nominated representative(s); and other factors relevant to good corporate governance. The Company must have a majority of independent directors at all times.
Event of Default	Events of Default typical for this type of Facility.

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SCHEDULE 3 – EQUITY PLACEMENT \$36M

Key Commercial Terms (subject to Completion)

Issuer	Black Cat Syndicate Limited
Subscriber	Fuyang Mingjin New Energy Developments Co., Ltd; and Southeast Mingqing Supply Chain (Fuyang) Co., Ltd (together the Subscribers)
Shares	Fully paid ordinary shares in the capital of the Issuer.
Currency	Australian Dollar
Issue Price	\$0.225 per Share
Subscription Amount	\$18,000,000 for each of the Subscribers.
Subscription	Subscription is subject to the satisfaction of the Equity Conditions.
Completion Date	Completion shall occur on the date that is ten (10) business days after the last of the Equity Conditions is satisfied.
Equity Conditions	Conditional upon the satisfaction, or waiver if agreed between the parties in writing, of the following conditions prior to 31 May 2024 (End Date): <ul style="list-style-type: none">a) The issuer receiving all necessary approvals of its shareholders as required by law or the Listing Rules of the ASX;b) if required, the Subscriber receiving all necessary approvals from the Australian Foreign Investment Review Board;c) the Subscriber receiving all required Chinese regulatory approvals; andd) the Issuer receiving all necessary consents.
Escrow	The Shares will be subject to a voluntary escrow until 31 March 2027.