



30 August 2012

New Banking Facility Agreement

Oldfields Holdings Limited (OLH) is pleased to announce that today we have signed a new financing facility agreement with our bank.

The agreement will transform Oldfields by reducing debt and diverting interest payments to reinvigorating the business.

Oldfields has worked closely with our bank over the past 2-3 years and we are very appreciative of their support. Oldfields has managed to reduce its debt levels by around \$8 million since June 2009, but it still remains too high and is unsustainable in the current trading environment. Our bank has recognised this and agreed to a new facility.

The main terms of the agreement are:

- The facility will extend until June 2015
- Oldfields will repurchase \$10 million of its debt via a payment of \$5 million to the bank
- A condition precedent for the facility is to raise additional equity or subordinated Senior Loan Notes, or a combination of both. These funds are to be used to repurchase the debt
- The facility post repayment will consist of senior debt and a Deferred Senior Loan Note (DSLN)
- The conditions of the DSLN are as follows:
 - Secured against assets of the business
 - Matures in 10 years
 - Interest capitalised and paid on either termination or early repayment
 - If note repaid or partially repaid within the first 5 years, note will attract interest at 12% pa
 - If the note is repaid or partially repaid after the first 5 years interest paid will be dependent upon the Oldfields share price, but capped at 12% pa
 - In the event the weighted average share price of Oldfields at the time of repayment after the first 5 years, is the same or below the issue price of the capital raised, the only payment due will be the original debt
 - The DSLN noteholder will be entitled to any dividend payments made by the company
 - Entitlement to dividends will be based on value of note divided by the issue price of the rights issue
 - Other normal conditions apply in respect to meeting Gearing and Interest Cover ratios
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Further announcements will be made when appropriate.

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