



20 December 2012

Oldfields Rights Issue Completion & Recapitalisation (OLH)

On October 26, 2012, Oldfields announced a 1:1 rights issue at 10 cents per share to raise \$5,600,000. Oldfields received valid applications for 26,132,593 shares. The issue was under subscribed by 29,911,012 shares, the shortfall offer is currently open and the company is discussing this with investors who wish to participate in the shortfall offer. The shortfall offer will close on Friday January 11 2013.

The company has been working closely with its bankers during the offer period to look at alternative structures for this possibility.

As a result of these negotiations, Oldfields is very pleased to announce that the company has successfully been recapitalised and we now have a facility in place with our lenders until June 2015. The bank has agreed to waive the condition precedent of raising a minimum of \$5,000,000, net of transaction costs. The company has raised \$2,613,259.30 of which \$2,500,000 will be used to repay debt. The payment of \$2,500,000 to the bank will repurchase debt of \$8,000,000.

Under the new facility agreement, Oldfields will have a total debt facility of \$8,000,000 of which approximately \$6,750,000 will be drawn down at the time of repayment. The debt facility will be comprised of \$5,550,000 of long/short term debt and a \$2,450,000 Deferred Senior Loan Note (DSLN) as outlined in previous announcements. Total cash interest bearing debt at the time of completing this transaction will be approximately \$4,200,000. Payment of interest on the DSLN is deferred for 10 years, and after 5 years is linked to the growth of the Oldfields share price above the rights issue price but capped at 12% pa.

This debt relief will result in a one off profit for the December half year of \$5,500,000.

Following the successful recapitalisation, Oldfields will have a Gearing Ratio* of approximately 45% and a net asset backing of approximately 10.5c per share.

Oldfields would like to express its appreciation to our bankers for the cooperation and constructive negotiations with the company throughout the process.

Further Information:

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*Gearing Ratio =net debt/total equity