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Australian Securities Exchange

CRATER GOLD ANNOUNCES NEW \$4M FINANCING FACILITY

KEY POINTS:

- **Up to \$4 million in funding available under the new unsecured loan facility**
- **Funding will be directed to advancing both exploration activities and the restart of mining operations at the Company's flagship Crater Mountain project, and exploration at Company's Nth Qld, Polymetallic and Graphite projects.**
- **Previously announced "Fresh Rights issue" now formally withdrawn by the Board from funding plans for the near future.**
- **The Company's liquidity is now significantly enhanced.**

Crater Gold Mining Limited (ASX: CGN or 'the Company') is pleased to announce that it has secured a \$4.0 million unsecured loan facility that will enable it to continue to advance its flagship Crater Mountain gold project, both in terms of recommencement of exploration activities, including drilling, and also the restart of mining operations at the High Grade Zone (HGZ).

In addition, the funds will support the funding of the exploration activities recently announced at the Company's North Queensland polymetallic and graphite projects.

The funding was made by way of an unsecured loan facility from Company's major shareholder, Freefire Technology Ltd ("Freefire"). The first \$1 million in funding is available at the option of the Company, with the balance of \$3 million requiring the consent of Freefire prior to a draw down request being executed.

Key terms of the loan facility include an interest rate of 12% p.a. payable quarterly in arrears. The repayment of the facility will occur after the next equity raising or convertible note raising with the amount repaid to be determined upon the Board considering the Company's financial position and future cash requirements so as not to materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors.

Managing Director, Russ Parker stated "We are pleased to announce this new funding for the Company from our long-time supporter and financier Freefire which enables us to move confidently into 2018 well financed to continue working on our key priorities which have been the subject of recent disclosures by the Company, namely the reinvigoration of exploration and restart of drilling at Crater Mountain, the restart of mining operations at the HGZ, some

very important follow up drilling work on our graphite project in Queensland, as well as a sampling program on our polymetallic project located nearby.” .

Mr Parker further noted that in addition to exploration works in and around the HGZ that the funding “will also allow us to start a drilling program at the Mixing Zone project during 2018 and to also explore the other significant exploration targets that exist on other licenses the Company holds at Crater Mountain.”

“We are focussed on putting this funding as productively as possible into advancing our projects and generating positive results from our exploration and mining activities, which we hope will put us in a good position to support future capital raisings”

For further information, contact:

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