



16 October 2014

The Manager  
Market Announcements Office  
Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

### **Non-Renounceable Entitlement Offer**

Sihayo Gold Limited (ACN 009 241 374) (**ASX:SIH**) (the **Company**) is seeking to raise up to approximately \$1,501,202 (before costs) through a pro rata non-renounceable entitlements offer of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every eight (8) Shares held by eligible shareholders on the record date at an issue price of \$0.012 per Share (**Entitlement Offer**). There is no minimum subscription in respect of the Entitlement Offer.

### **Indicative use of proceeds of Entitlement Offer**

The Company proposes to use the proceeds of the Entitlement Offer as follows:

<b>Use</b>	<b>Approximate amount to be allocated assuming full subscription under the Entitlement Offer (A\$)</b>	<b>%</b>
Expenses of the Offer	97,435	6.5%
Repayment of Loan Facility	1,135,000	75.6%
Working capital	268,767	17.9%
<b>Total</b>	<b>1,501,202</b>	<b>100%</b>

#### **Notes**

The above expenditure budget is indicative only and may change according to circumstances prevailing at the time.

## Loan Agreements

As of 16 October, the Company had entered into interim loan agreements with Provident Minerals Pte Ltd (**Provident**), and Saratoga Investama Sedaya (**Saratoga**) Shareholders of the Company, pursuant to which Provident and Saratoga have agreed to make a loan facility of USD 850,000 (**Loan Facility**) available to the Company (**Loan Agreements**). The loans have been fully drawn.

The Company will pay interest of 7% per annum on any funds drawn down by the Company under the Loan facility and funds drawn down, plus any accrued interest, are repayable on the earlier of 20 November 2014 and the date that the Company is entitled to the proceeds of the Entitlement Offer. Neither Provident nor Saratoga is charging a facility fee on the loan, making the loans commercially attractive to the Company. Loans on such favourable terms are a further demonstration of Provident's and Saratoga's commitment to the Company.

The funds from the Loan Facility have been applied towards working capital including completion of the permitting and licensing processes.

## Summary of the Entitlement Offer

1. The Entitlement Offer comprises one (1) new Share for every eight (8) existing Shares held by existing eligible shareholders on the record date (24 October 2014) at \$0.012 cents per Share.
2. Eligible shareholders will comprise those shareholders with a registered address in Australia, New Zealand, Singapore, Mauritius, Malaysia or Indonesia or any other shareholders in other jurisdictions to whom the Company decides to make offers.
3. The Entitlement Offer is fully underwritten subject to certain terms and conditions by Provident Minerals Pte Ltd.
4. Any fractional entitlements arising from the Entitlement Offer will be rounded up.
5. Shares issued under the Entitlement Offer will rank equally with existing Shares on issue on the record date. The Company will make application for official quotation of the new Shares proposed to be issued under the Entitlement Offer. Share entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable.
6. Up to approximately 125,100,167 Shares will be issued pursuant to the Entitlement Offer. Shareholders who do not take up all or any part of their entitlement will not receive any payment or value in respect of the entitlement not taken up and their equity interest in the Company will be diluted.
7. A shortfall facility will be available allowing eligible shareholders to apply for additional Shares over and above their entitlements (additional Shares will be issued to the extent there is a shortfall under the Entitlement Offer). The Directors reserve the right to issue shortfall Shares at their absolute discretion.

## Timetable

Further details of the Entitlement Offer, including details on how to accept and key risks of the Entitlement Offer, together with a summary of the key terms of the underwriting agreement including the termination events, will be set out in a prospectus which is expected to be released to the ASX on 17 October 2014 and dispatched to shareholders on 27 October 2014. Outlined below is a timetable of relevant events and dates relating to the Entitlement Offer. These events and dates are indicative only and subject to change. Subject to the ASX Listing Rules, the Corporations Act and other applicable laws, the Company's Board reserves the right to modify all dates, including the Entitlement Offer closing date.

<b>Event</b>	<b>Date</b>
Announcement of Entitlement Offer & Appendix 3B	16 October 2014
Lodgement of prospectus with the ASIC	17 October 2014
Lodgement of prospectus with ASX	17 October 2014
Notice sent to optionholders	17 October 2014
Notice sent to shareholders	17 October 2014
'Ex' date	22 October 2014
Record Date for determining shareholder entitlement	24 October 2014
Prospectus sent out to eligible shareholders, Entitlement Offer opens and announcement that dispatch has occurred	27 October 2014
Entitlement Offer closes*	06 November 2014
Shares quoted on a deferred settlement basis	07 November 2014
Notification of under subscriptions to ASX (if any)	11 November 2014
Issue date/Shares entered into Shareholders' security holdings	13 November 2014
Quotation of Shares issued under the Offer *	14 November 2014

\*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

Application for new Shares under the Entitlement Offer may only be made by completing the Application Form which accompanies the prospectus. Shareholders eligible to participate in the Entitlement Offer should read the prospectus carefully and consult professional advisers as necessary.



## **Enquiries**

Any enquiries regarding the Entitlement Offer should be directed to:

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