



Herencia Resources PLC - HER US\$400,000 Funding, Company Update and Summary
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Herencia Resources plc

("Herencia" or the "Company")

US\$400,000 Funding, Company Update and Summary

Herencia is pleased to announce that today it has executed legally binding term sheets with two of its shareholders, the Australian Special Opportunity Fund ("Lind Partners") and Oriental Darius ("Oriental Darius") to advance the Company US\$400,000, subject to the satisfaction of certain conditions.

Details of the capital raising

Capital of US\$400,000 will be provided to the Company by the Shareholders by way of a secured convertible facility with a Face Value of \$480,000 ("Face Value"), the agreed amount to be repaid by the Company over the 24 month term of the agreement.

The Convertible Security has the same conditions as announced on 5th April 2016:

- Lind Partners may exercise its right to convert US\$200,000 of convertible loan notes with a face value of US\$240,000 into shares at an exercise price of "The Next Placement Price" ("Conversion"). Pursuant to the Conversion at a later date, new ordinary shares of "The Next Placement Price" each ("Ordinary Shares"), will be admitted to trading on AIM, and
- Oriental Darius may exercise its right to convert US\$200,000 of convertible loan notes with a face value of US\$240,000 into shares at an exercise price of "The

Next Placement Price" ("Conversion"). Pursuant to the Conversion at a later date, new ordinary shares of "The Next Placement Price" each ("Ordinary Shares"), will be admitted to trading on AIM.

In this case, the price of "Next Placement Price" used at face value is the current Herencia Price of 0.0005 pence. Following the issue of the New Ordinary Shares on Conversion of this funding of US\$400,000, the additional new number of Ordinary Shares at face value will be 718,294,052 (vary with exchange rates at the time).

There are no Ordinary Shares held in treasury.

Notification of Lind Partners Interest

Lind Partners presently hold 2,519,392,831 Ordinary Shares representing 23.64% of all Ordinary Shares. If Lind Partners convert to new Ordinary Shares all its convertibles notes under the current conditions, it will hold approximately 4,772,195,942 Ordinary Shares (including approximately 359,147,026 to be issued under this conversion if the Next Placement Price is the Herencia share price) representing 31.77% of the then Enlarged Share Capital.

In addition, the Company has agreed with the Takeover Panel that Lind Partners is acting in concert with the following individuals/entities, who were introduced by Lind Partners at the placement on 27 April 2017 and hold 207,261,111 Ordinary Shares:

1. Mr. John Hancock;
2. Mr Martin Rogers, and
3. Abundance Partners LP .

(together, with Lind, the "Concert Party")

The Concert Party now have a total in interest in 2,726,652,942 Ordinary Shares, representing 25.58% of the issued share capital of the Company.

If Lind Partners was to convert all its convertible notes, the Concert Party would hold 4,979,457,053 Ordinary Shares (including approximately 359,147,026 to be issued under this conversion if the Next Placement Price is the Herencia share price) Company representing 33.15% of the then Enlarged Share Capital.

Notification of Oriental Interest

Oriental presently hold 2,371,298,341 Ordinary Shares representing 22.25% of all Ordinary Shares. If Oriental convert to new Ordinary Shares all its convertibles notes under the current conditions, it will hold 4,624,101,452 Ordinary Shares (including approximately 359,147,026 to be issued under this conversion if the Next Placement Price is the Herencia share price) Ordinary Shares

representing 30.79% of the then Enlarged Share Capital.

Related Party Approval

As Lind Partners and Oriental Darius are substantial shareholders, the agreement with them is a Related Party Transaction under AIM Rule 13 to the AIM Rules for Companies, and the directors of the Company, having consulted with its Nominated Adviser, WH Ireland Limited, consider that the terms of the agreement with Lind Partners and Oriental Darius is fair and reasonable insofar as its shareholders are concerned.

Working Capital

The funding provided under this convertible note facility will provide the Company with sufficient funds through to approximately the end of September 2018, the Company's working capital position continues to be constrained.

About Herencia

Herencia Resources plc, is an AIM quoted exploration and development company operating in Chile. In addition to the Picachos/Pastizal Copper Project, the Company also has the Guamanga Copper Project in northern Chile and La Serena Copper Project north of Picachos. The Company's main technical and management office is in Santiago, Chile where it has been operating for over eleven years.

Further details on the Company can be found at www.herenciaresources.com.

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