



## Credit Committee Approval for Debt Facility

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Firestone Diamonds PLC  
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### **Firestone Diamonds plc ("Firestone" or the "Company") (AIM: FDI)**

#### **Receipt of Credit Committee approval for up to US\$82.4 million Project Debt Finance**

LONDON: 25 November 2013

Firestone Diamonds plc ("Firestone" or the "Company"), the AIM-quoted diamond development company, is pleased to announce that Absa Bank Limited, acting through its Corporate and Investment Banking division, has received approval from its credit committee (the "Committee") to provide a project debt finance facility of up to US\$82.4 million ("the Facility") to Liqhobong Mining Development Company (Pty) Limited ("LMDC"). LMDC, which is owned 75% by Firestone and 25% by the Government of Lesotho, owns 100% of the Liqhobong Diamond Mine ("Liqhobong" or the "Project") which is located in the Lesotho Highlands.

As announced on 5 November 2013, the initial infrastructure and capital costs for the Project are estimated to be approximately US\$185.4 million and the Facility will support the development of the main treatment plant ("MTP") at Liqhobong. The Facility will have a total term of 6.5 years, with an 18 month draw down period for construction and with the repayment of capital occurring in the final 4.5 years of the loan term. The Company is required to fund its contribution to the Project, being the balance required to complete the Project, prior to first draw down of the Facility.

The Facility is conditional on, *inter alia*:

- approval of both commercial and political risk insurance by an Export Credit Agency;
- the Company successfully raising the balance of capital required to complete the Project; and
- other customary conditions standard for facilities of this nature including completion of legal and environmental due diligences, documentation and the signing of material contracts.

Further announcements will be made as appropriate.

**Stuart Brown, incoming Chief Executive Officer, said:** "Receipt of Absa Committee approval to provide LMDC with the Facility for the development of the MTP at Liqhobong, is a major step forward on our journey. In addition, it marks an independent endorsement of Firestone and our Project, in what we believe has been one of the most challenging periods that mine funding has encountered in recent years. The approval underpins the management's approach and commitment to developing Liqhobong and realising the true value of this asset for our shareholders.

The Board confirms that it is evaluating a range of options to fund the balance of capital required to complete the Project, which it expects to conclude in the near future, and will continue to provide updates on material developments as they occur."

#### **For more information contact**

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**Background information on Firestone Diamonds**

Firestone is an international diamond development company with operations focused on Lesotho and Botswana. Firestone is currently in the process of developing the MTP at the Lihobong Mine in Lesotho to become a plus-one million carat per annum producer.

Lesotho is emerging as one of Africa's significant new diamond producers, and hosts Gem Diamonds' Letseng Mine, Firestone's Lihobong Mine as well as Namakwa Diamonds' Kao Mine and Mothae development project.

This information is provided by RNS  
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