



HORSESHOE METALS

LIMITED

ASX ANNOUNCEMENT

31 MARCH 2017

LOAN FUNDING SECURED

Horseshoe Metals Limited (ASX.HOR) (**Horseshoe** or the **Company**) is pleased to announce that, to meet its immediate working capital requirements, it has entered into an unsecured loan agreement for up to \$1,000,000 with entities associated with Mr Michael Fotios, the Company's major shareholder and Non-Executive Chairman (**Loan**).

Material terms of the Loan are:

Lenders: Related entities of Mr Fotios

Loan Amount: Up to \$1,000,000

Interest Rate: 8% per annum

Repayment: Within 10 days of receipt by the Company of sufficient funds from future capital raising (the terms of which have not been determined at this date) provided that, if any such capital raising is not completed by 30 June 2017, then interest, repayment terms and/or conversion of the Loan will be re-negotiated between the parties. The Loan will be re-payable upon demand in the discretion of the Lenders until those revised are agreed.

Conversion: Subject to any required regulatory and/or shareholder approval, all or part of the Loan (subject to a minimum conversion amount of \$50,000) may be converted into shares, at the Lender's election, at a conversion price equal to the issue price of shares under future capital raising and on the same terms as the capital raising, including any free attaching securities issued as part of such capital raising at the same ratio.

Use of funds: The funds will be applied towards the Company's immediate working capital requirements.

For further information please contact:

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