

Critical Metals PLC: Non-dilutive Finance Facility

written by Raj Shah | September 18, 2023

September 18, 2023 ([Source](#)) – Critical Metals, a mining company established to acquire mining opportunities in the critical and strategic metals sector and currently developing an ex-producing copper cobalt mine in the Democratic Republic of Congo (“DRC”), announces it has signed a US\$3 million non-dilutive debt facility with an international financial institution (the “Facility”). The funds from the Facility will help the Company to accelerate its mining operations, increase production volumes whilst continuing negotiations with future buyers of copper ore.

Finance Terms

The debt term is for 9 months from the date of execution of the agreement for the first US\$500,000 instalment, with a committed further tranche of US\$500,000 available at the Company’s election following the satisfaction of the funding conditions (being committed sales for the existing stockpiles). The Company also has the ability to request further funds are available up to the maximum utilisation of US\$3 million.

The Company will pay interest only on the borrowed funds.

The key funding terms are:

- 15% fixed coupon for the term
- The second tranche is available for 150 days after the first tranche
- Repayable at any time at the election of the Company
- Personal guarantee from Russell Fryer by way of the pledge of his ordinary shares in the Company (further detailed

below)

- Grant of 2,000,000 warrants over ordinary shares in the Company (further detailed below)
- Contains customary covenants and events of default for such project related finance

The Board of Critical Metals is keen to emphasize that the Facility is not convertible into ordinary shares in the Company.

As surety on the Facility, the Company's CEO, Russell Fryer, will provide a personal guarantee for the Facility via an equity pledge of his current shareholding in the Company representing two times the value of the capital borrowed. Mr Fryer remains the beneficial owners of the ordinary shares, subject to the equity pledge, and retain full voting rights.

Warrants

Upon execution of the Facility, the Company will also issue Warrants for the international financial institution to subscribe for up to 2,000,000 ordinary shares in the Company exercisable at 40p with an expiry of 12-months.

Use of Funds

The funds add to the balance sheet strength, allowing the company to accelerate mining capacity, add an additional diamond drilling rig, complete due diligence on copper and cobalt processing plants, and to expedite value accretive deals that maximise full value out of the copper ore.

Critical Metals CEO, Russell Fryer, said: *"We are at a pivotal stage of the Company's development as we look to accelerate growth by optimising operations, whilst looking at other opportunities to maximise shareholder value. The splitting of the first tranche and the second tranche provides capital*

optionality for the Company, and such flexibility is a huge positive for the Company. As the largest shareholder I have made a personal commitment to all shareholders to keep dilution down to a minimum and I have backed this through the pledging of my shares to avoid dilutive equity placements. The loan provides the Company with the necessary funds to accelerate growth. I look forward to updating the market on our progress soon."

****ENDS****

For further information on the Company please visit www.criticalmetals.co.uk or contact:

Critical Metals plc Russell Fryer, CEO	Tel: +44 (0)20 7236 1177
Peterhouse Capital Limited Corporate BrokerLucy William / Duncan Vasey	Tel: +44 (0)20 7469 0936 / +44 (0)20 7220 9797
St Brides Partners Ltd Financial PRCatherine Leftley /Ana Ribeiro/Isabelle Morris	Tel: +44 (0)20 7236 1177

About Critical Metals

Critical Metals PLC has acquired a controlling 100% stake in Madini Occidental Limited, which holds an indirect 70% interest in the Molulu copper/cobalt project, an ex-producing medium-scale asset in the Katangan Copperbelt in the Democratic Republic of Congo. In line with its investment strategy of focusing primarily on known deposits, targeting projects with low entry costs and the potential to generate short-term cash flow; the Company intends to produce 120,000t/per annum of Copper Oxide Ore.

The Company will continue to identify future assets that are in line with its stated acquisition objective of low CAPEX and OPEX

projects with near-term production, concentrating on minerals that are perceived to have strategic importance to future economic growth and generate significant value for shareholders.

Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Russell Fryer
2	Reason for the notification	
a)	Position/status	Director of Critical Metals PLC
b)	Initial notification /Amendment	Amendment
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	CRITICAL METALS PLC
b)	LEI	213800MU3B7CS88PY290
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	Ordinary Shares
	Identification code	GB00BJVR6M63
b)	Nature of the transaction	Transfer of shares into escrow subject to security

c)	Price(s) and volume(s)				
			Price(s)	Volume(s)	
			N/A	2,336,347	
d)	Aggregated information				
	– Aggregated volume	Single transaction			
	– Price	N/A			
e)	Date of the transaction	18 September 2023			
f)	Place of the transaction	London Stock Exchange			

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