



17 October 2018

Wishbone Gold Plc

("Wishbone" or the "Company")

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*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU)*

*No. 596/2014 ("MAR").*

## **Proposed termination of equity sharing facility and related arrangements and proposed fundraising**

### **Termination of the equity sharing arrangements**

The Company announces that it has entered into an agreement (the "Agreement") with D-Beta One EQ, Ltd. ("D-Beta") pursuant to which, inter alia, the parties have agreed to suspend the monthly payments due to be made for May, June, July, August, September, October and/or November (as appropriate) 2018 (the "Deferred Monthly Payments") in respect of the equity sharing facility (the "Equity Sharing Facility") entered into by the Company with D-Beta, which was announced by the Company on 18 August 2017. The net amount payable in respect of the Deferred Monthly Payments is currently anticipated to be £119,683.84 payable by the Company to D-Beta. The Agreement also provides, inter alia, that:

- purchasers will be sought for 88,235,714 existing ordinary shares of 0.1 pence each in the capital of the Company currently held by D-Beta (the "Sale Shares");
- subscribers will be sought for new ordinary shares of 0.1 p each (the "New Ordinary Shares") in the capital of the Company (the "Placing Shares") to raise gross proceeds of approximately £550,000;
- the sale of the Sale Shares is to be conditional, inter alia, on admission to trading on AIM of the Placing Shares;
- neither the sale of the Sale Shares nor the placing of the Placing Shares will be underwritten;
- subject to receipt by D-Beta of the net proceeds of the sale of the Sale Shares and receipt by the Company of the net proceeds of the issue of the Placing Shares, in each case by 28 November 2018, the final amount to be paid by or to the Company as the case may be (the "Final Payment Amount") in order to terminate the Equity Sharing Facility will be agreed by the parties or determined by the Company's auditors and such amount will relate not only to the Deferred Monthly Payments but



also to each further anticipated monthly payment to be made under the Equity Sharing Facility (each such further anticipated monthly payment being defined as a "Further Payment"). It is currently anticipated that the Final Payment Amount will be approximately £119,683.84 payable by the Company to D-Beta but the actual amount of the Final Payment Amount will depend on, inter alia, the price at which the Sale Shares are sold and the Placing Shares are subscribed for;

- in the event that the net proceeds of the Share Sale and the Placing are not received by D-Beta and the Company respectively by 28 November 2018 then the payment of the Monthly Deferred Payments will be deferred to December 2018 and January, February, March and April 2019 respectively and the payment of each Further Payment will be deferred by 7 months respectively; and

-the Investment Agreement entered into between the Company and YA II PN, which was announced by the Company on 18 August 2017 (pursuant to which the Company was loaned US\$400,000 for a 12-month term at an initial interest rate of 10% per annum) be terminated and the 8,934,663 warrants granted by the Company pursuant to the terms terms of the Investment Agreement be cancelled. The Company will make a payment of approximately £273,900.69 in full and final settlement of the Investment Agreement.

### **Proposed fundraising**

The Company announces that it is proposing to raise a total of approximately £550,000 (before expenses) through the issue of 550,249,726 Placing Shares at a placing price of 0.10 pence (the "Placing Price") per Placing Share (the "Placing"). In addition, D-Beta proposes to arrange the sale of 88,235,714 Sale Shares at the Placing Price. It is proposed that for each 2 Placing Shares subscribed in the Placing investors will receive a warrant to subscribe 1 New Ordinary Share in the capital of the Company exercisable at the Placing Price for a period of 2 years from admission of the Placing Shares to trading on AIM. Likewise, it is proposed that for each 2 Sale Shares to be sold, investors will receive a warrant to subscribe 1 New Ordinary Share exercisable at the Placing Price for a period of 2 years from admission of the Placing Shares to trading on AIM.

It is proposed that the net proceeds of the Placing will be used for working capital and to settle amounts due to D-Beta under the Equity Sharing Facility and/or the Investment Agreement as referred to above.

### **Capitalisation of Directors' Fees**

Following the placing it is intended that liabilities in the region of £250,000 representing amounts of fees and expenses owed to directors up to September 2018 will be capitalised into Ordinary Shares. These Ordinary Shares will be allotted at the higher of the closing mid-market price on the day of completion of the placing or the par value of the Ordinary Shares (the "Capitalisation Shares"). Warrants will not be granted to the holders of the Capitalisation Shares. A further announcement will be made tomorrow regarding the allotment of the Capitalisation Shares and an



application is expected to be made for the Capitalisation Shares to be admitted to trading on AIM, with dealings are expected to commence on 31 October 2018.

Further announcements will be made in due course.

For more information on Wishbone please visit the Company's website

[www.wishbonegold.com](http://www.wishbonegold.com)

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