

Debt Financing Update

Highlights

- **Negotiations progressing to secure a \$20-30 million debt facility (Debt Facility) with a bank financier**
- **Company to be fully funded through to gold production expected in first quarter 2017**

Eastern Goldfields Limited (ASX:EGS) (**Company** or **Eastern Goldfields**) is pleased to advise it is advanced in progressing its debt funding strategy, which will see the Company fully funded through to commencing gold production expected in the first quarter of 2017.

The Company is in negotiations with a bank financier with a view to securing the Debt Facility during December 2016, which will likely include a revolving debt facility with an associated hedging facility

The Debt Facility will be utilised to further the refurbishment of the Davyhurst Gold Processing Plant and for working capital through to commencement of gold production and associated ramp up in 2017.

Further details regarding the Debt Facility will be announced to the market once the negotiations and documentation are finalised.

-Ends-

Investor Enquiries

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BOARD OF DIRECTORS

Mr Michael Fotios
Executive Chairman

Mr Craig Readhead
Non-Executive Director

Mr Alan Still
Non-Executive Director

Ms Shannon Coates
Company Secretary

ISSUED CAPITAL

Shares: 489m

Options: 50.2m

Current Share Price: \$0.23

Market Capitalisation: \$112.5m

Cash as at 30/9/2016: \$5.5m

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