

HD **Gindalbie takes out \$428m loan for Karara**

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Iron ore explorer Gindalbie Metals has taken out a \$428 **million** three-year loan from **China** Development Bank and Bank of **China** to provide Karara **Mining** with working capital support.

The loan follows the news earlier in the month, when Gindalbie flagged a \$640 **million** hit to its Karara investment, of which it holds a 47.8 per cent **stake**.

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AnSteel holds the majority 52.2 per cent interest in Karara.

In a review of its assets, Gindalbie said Karara had been hit by capacity restrictions, a low **iron ore** price and a higher than anticipated Australian dollar, which led to the impairment.

Ansteel provided a \$60 **million** loan to Karara last year and retains an option to extend its **stake** in the project to 62 per cent if it provides \$230 **million** in working capital.

Gindalbie said it drew down an initial \$107.1 **million** on the new loan.

Gindalbie's share price fell 2 per cent to 4.9 cents per share at 11:35am.

CO gingol : Gindalbie Metals Ltd

IN i22 : Primary Metals | i221 : Iron/Steel/Ferroalloys | ibasicm : Basic Materials/Resources | i211 : Metal Ore Mining | i2111 : Iron Ore Mining | imet : Mining/Quarrying

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