

Indus Gas Limited

New Debt Facility

RNS Number : 1449X

Indus Gas Limited

17 November 2014

Indus Gas Limited (“Indus” or “the Company”)

Signing of Facility Agreement for US \$180m

Term Debt Facility and Utilization

Indus Gas Limited (AIM:INDI.L), an oil & gas exploration and development company with assets in India, is pleased to announce that it has signed and completed a new US\$180 million facility agreement with a consortium of seven banks/institution (the "Debt Facility"). The Debt Facility is the third debt financing completed by the Company. Previously the Company has completed two rounds of debt financing of US\$110mn and US\$40mn respectively. The outstanding amount as at 30 September 2014 against the previous two financings is US\$94.04 million. Four of the banks who participated in the previous two rounds have continued their support in this third round of financing. Three new banks/institutions have joined for the first time and have increased the Lender base of the Company.

The Debt Facility will be secured by extending *pari-passu* the charge on the security package provided to the existing debt holders. The Company has received the required consents from existing debt holders as to creation of such a security charge. The debt facility is for a nine year term maturing in April 2024 and carries an interest rate of 3 months LIBOR plus 410 basis points which will help marginally reduce the overall blended cost for the combined debt facilities.

Utilization of the Facility is in progress primarily to finance the appraisal and development cost on the RJ-ON/6 Block in Rajasthan. The Debt Facility will help the Company to accelerate/move towards completing next phase of development of the acreage.

Mr Peter Cockburn, Chairman of the Company commented:

"Indus continues to develop their high quality Indian assets and this funding recognizes that Lenders see the performance of the Block. This funding places us in a strong position to complete all activities for the next two sales expansions as scheduled.

The ongoing support of our core Lenders and participation of new institutions gives us a vote of confidence and we are grateful for their commitment. The Company will continue to evaluate funding sources as it looks to diversify the debt financing options available."

-ENDS-

