

Dundee Precious Metals Inc. announced that it has successfully amended the \$80 million Tranche C component of its revolving credit facility to align with the projected construction and commissioning schedule of the Krumovgrad gold project, and entered into a \$50 million prepaid forward gold transaction.

“This transaction locks in an attractive gold price on a portion of our future production and further enhances our financial strength and flexibility to advance our growth initiatives, including the construction of the low cost Krumovgrad gold mine located in southern Bulgaria,” said Rick Howes, President and CEO. “An early works program is currently underway at Krumovgrad to support commencement of construction in October, consistent with the project schedule to commence operations in the fourth quarter of 2018.”

The Company received approval from its lenders to amend the term and amortization of an \$80 million tranche, referred to as Tranche C, under its \$275 million RCF to align with the projected construction and commissioning schedule of the Krumovgrad gold project, the main construction permit for which was received.

The Company executed a Prepaid Forward Gold Sale whereby it sold approximately 9% of its forecast 2019 and 2020 production in exchange for an upfront cash pre-payment of \$50 million. The transaction provides for the forward sale of approximately 18,000 and 28,000 ounces in 2019 and 2020, respectively, on specified monthly delivery dates commencing in May 2019 at an average forward price of \$1,367 per ounce. The transaction was undertaken with BNP Paribas, who led the transaction, Canadian Imperial Bank of Commerce, Unicredit Bulbank AD and Royal Bank of Canada each of whom participate in the Company’s RCF. Proceeds from the transaction will be recognized initially as deferred revenue and thereafter as revenue when physical deliveries are made under the Prepaid Forward Gold Sales arrangement.

source: juniorminingnetwork.com