

24 September 2015

Australian Securities Exchange

### **A\$3.4million Capital Raising**

Crater Gold Mining Limited (ASX:CGN) is pleased to advise that it has successfully coordinated a two stage capital raising of A\$3.4 million (the Capital Raising). This Capital Raising is made up of two tranches with the first tranche of A\$1.3 million issued to a selection of international institutional investors and family offices. The second tranche of A\$2.1 million will be issued to Freefire Technology Limited on the same terms thereby maintaining Freefire's 62% holding in the company.

The fully completed Capital Raising will mean that Crater Gold Mining will have secured improved funding as it moves towards the target of positive cash flow at the High Grade Zone expected at the turn of the year.

The **first tranche** of the Capital Raising constitutes a placement of 16.25 million shares at a price of \$0.08 per share to Australian and global shareholders to raise A\$1.3 million. This placement has been carried out under the Company's existing placement capacity. An Appendix 3B New Issued Announcement will be released shortly.

The **second tranche** of the Capital Raising constitutes a proposed placement to interests associated with Mr Sam Chan (Chairman of the Company) and Freefire Technology Limited, which currently hold approximately 62% interest in the Company. As a result of the first stage of the Capital Raising, Mr Sam Chan and Freefire's holding will be diluted. The proposed placement of approximately A\$2.1 million to Freefire will bring the total Capital Raising to A\$3.4 million and retain Freefire's interest in the Company at 62%.

The second tranche of the Capital Raising requires shareholder approval. A Notice of Meeting is in the process of being prepared and will be released as soon as possible. The A\$2.1 million placement will be substantially funded by the discharge of outstanding debts to improve the balance sheet of the company and its financial standing.

Mr. Sam Chan says “We welcome the support of new shareholders at this exciting point in Crater Gold Mining’s evolution from a gold explorer to a gold developer/producer. In this difficult funding environment, we believe this is a vote of confidence in our High Grade Zone project and management team. We see considerable growth in our future cash flows”.

**Yours sincerely**  
Crater Gold Mining Limited

  

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**Heath Roberts**  
Company Secretary