



PEERMONT

HOTELS CASINOS RESORTS

PEERMONT ANNOUNCES SUCCESSFUL COMPLETION OF ITS RECAPITALISATION

Rand-denominated debt and recapitalised equity package strengthens the balance sheet of the Group and significantly reduces debt-funding costs PeerMont well positioned to pursue growth opportunities

Johannesburg, 30 April 2014 - PeerMont Global Group ("PeerMont" or "the Group"), the hospitality and gaming group, today announced that it has successfully completed the recapitalisation of the Group announced in November 2013 through the raising of new debt and the issue of new equity. The new Rand-denominated debt package of a total c.R5.2 billion facilitated the repayment of the Euro 416.1 million Senior Secured Notes on 30 April 2014 and associated currency hedges and hedging loans. The new debt package comprises a R4.1 billion local six-year senior debt finance package provided by South African banks, supplemented by a c.R1.125 billion six-and-a-half-year Rand-denominated mezzanine debt package provided by certain of the Group's existing stakeholders.

Overall debt levels have been further reduced by replacing the senior Payment-In-Kind Notes loan, amounting to approximately R2.4 billion, with preference shares in the Group at face value and by replacing the deeply subordinated Payment-In-Kind equity loan, amounting to approximately R3.8 billion, with ordinary shares amounting to approximately 71% of the Group's ordinary shares.

The Mineworkers Investment Company ("MIC") and PeerMont broad-based empowerment trusts remain the Black Economic Empowerment ("BEE") shareholders of the Group and collectively own 25% of the Group. The MIC continues to assume the role of the lead BEE shareholder.

The new debt and equity package significantly lowers debt-funding costs and eliminates expensive foreign currency hedging. The new capital structure allows for much enhanced flexibility for the Group to pursue further growth opportunities.

Anthony Puttergill, CEO of PeerMont, said: ***"The new debt and equity package is structured to deleverage the Group's balance sheet and provides us with improved flexibility to invest in growth projects. We are looking forward to exploring growth opportunities and unlocking value through projects such as our R325 million Burgersfort development, which is currently underway."***

Mary Bomela, CEO of MIC, said: ***"The MIC has had a long term investment in PeerMont since 1996. This recapitalisation will allow management to refocus their energies on the operations of the Group, and further open opportunities for growth through expansion. We are pleased, as significant shareholders, at the greater stability that this will bring to the Group going forward."***

For the year ended 31 December 2013, the Group generated revenues of R3.079 billion and EBITDA of R1.143 billion at an industry-leading EBITDA margin of 37.1%.