

Romarco progresses \$200 million debt facility with no mandatory gold hedging

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TORONTO, April 2, 2015 /CNW/ - [Romarco Minerals Inc.](#) (TSX: R) (the "Company") is pleased to provide an update on its Haile Gold Mine project in South Carolina with respect to the previously announced binding commitment for a project debt facility ("Debt Facility") and the early site preparation activities currently underway. All dollar amounts in this news release are expressed in US dollars unless otherwise noted.

Debt Facility

Since its announcement on February 19, 2015 extending the date for completion of the \$200 million Debt Facility, the Company has been working with Caterpillar Financial Services Corporation, Macquarie Bank Limited and Societe Generale Corporate & Investment Banking (together the "Lenders") to confirm the terms of the Debt Facility and complete the credit agreement and documentation. After reviewing the updated model, which includes surety bonding and diesel hedging, the Company and the Lenders have agreed to structure the Debt Facility in two Tranches: a \$180 million project facility and a \$20 million cost overrun facility. All parties have agreed to extend the binding commitment and signing of the credit agreement is targeted to occur on or before April 10, 2015 and to complete documentation promptly in April. At this time, two of the three Lenders have received credit committee approval and the third is working to secure approval in time to accommodate the new deadline.

The anticipated Debt Facility combined with the recent bought deal equity financing fully finances the Haile Gold Mine project.

The terms of the \$200 million debt facility are substantially the same as previously disclosed, although in view of low oil prices a diesel hedging program has been agreed by both sides. Highlights are listed below:

Tranche A

- \$180 million senior secured debt facility
- Scheduled repayment over a six year term post construction
- Initial draw of \$10 million and pro rata after investing 75% of base equity commitment
- Diesel hedging for approximately 75% of estimated consumption during construction and the first three years of production
- No mandatory gold hedging

Tranche B

- \$20 million cost overrun facility
- Scheduled repayment over five quarters after Tranche A has been repaid

Given that two of the three Lenders have received Credit Committee Approval, the extension is intended to allow time for the third Lender to complete the approval process. Although not anticipated, in the event that the third Lender is not able to secure required approvals, the Company has completed significant work with alternative lenders and is positioned to conclude the borrowing with an alternate lender who has completed due diligence and may replace a member of the current lending syndicate.

Early Site Preparation Activities

The Company is proceeding with activities at the Haile project to advance the property towards construction including the following:

- The Caterpillar equipment to begin earthwork activities has been purchased and delivered to site

- Initial delivery of the water treatment plant components – the first area scheduled for construction.
 - The construction contractor for the water treatment plant has been selected
- Drilling of the depressurization wells with use of the Company-owned drill rigs
 - Currently, five of eleven wells anticipated at the Mill zone area of South Pit have been completed
- Timbering of facility and mining areas and site maintenance
- Installation and set up of construction offices

Diane Garrett, President & CEO commented: "We are pleased to have settled on an alternate structure for the \$200 million Debt Facility with no gold hedging. The modification into two separate tranches reduces the amount of restricted cash during construction and provides additional liquidity for any unanticipated cost overrun. We are also very pleased to announce that early site preparation activities are fully underway at Haile. We anticipate these activities, along with the expected closing of the Debt Facility, will put us in a position to break ground on construction in May 2015."

About Romarco Minerals Inc.

[Romarco Minerals Inc.](#) is a gold development company focused on production primarily in the US. The Company has completed a positive Feasibility Study, received all major permits and secured financing commitments for its flagship project, the Haile Gold Mine in South Carolina. The Company's current construction schedule contemplates first production during the fourth quarter of 2016.

Please note: This entire press release may be accessed via fax, e-mail, Romarco's website at www.romarco.com and through CNW Group's website at www.newswire.ca. All material information on [Romarco Minerals Inc.](#) can be found at www.sedar.com.

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