



ASX Release

5 July 2013

Transfer of debt by Commonwealth Bank of Australia trading as Bankwest

Redbank Energy Limited (ASX:AEJ) (“**REL**”) advises that its wholly owned subsidiary, Redbank Project Pty Ltd (“**Redbank Project**”), consented on 19 June 2013 to the transfer by Bankwest of its entire Redbank Project debt to Merrill Lynch International (“**MLI**”), which is a part of Bank of America Merrill Lynch.

The terms of the transfer are confidential and were not disclosed to Redbank Project. Redbank Project understands that completion of the transfer has now occurred. As the transfer of the debt is by way of novation, Redbank Project’s consent was required pursuant to Redbank Project’s facility agreements.

Bankwest was an original lender under the facility agreements and prior to the transfer of its debt to MLI, it held approximately 4% of the total debts outstanding owed by Redbank Project to its lending syndicate under the facility agreements.

In late 2010, Bankwest cancelled Redbank Project’s liquidity facility and Redbank Project was required under the terms of its facility agreements to replace the liquidity facility. As a result of the failure to secure an equivalent replacement liquidity facility, the lenders and Redbank Project entered into a bank support agreement, pursuant to which the lenders agreed not to exercise any rights they might have as a result of that failure. As previously reported, the bank support agreement expired on 31 May 2013.

Redbank Project continues to engage with its lenders in good faith with the aim of working towards implementing a permanent restructure of its finance facilities.

ENDS

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