

# Sirius Minerals PLC

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## Sirius Minerals says open offer share sale sees strong demand, closes oversubscribed

Sirius Minerals PLC (LON:SXX) has revealed that the open offer portion of its new funding package has now closed and said that that the shareholder equity sale was oversubscribed.

The FTSE 250-listed firm said, therefore, it would be issuing the full 218mln allocation of new shares which are priced at 15p each, in line with the placing shares launched in early May.

READ: Sirius Minerals is at a 'critical juncture' as financing efforts continue "We are encouraged by the oversubscribed open offer, which underlines the strong equity market support for our comprehensive markets-led solution for stage 2 funding," said Chris Fraser, Sirius Minerals' managing director.

"Today's result takes us another step closer to bringing POLY4 to the global agriculture industry and I would like to thank shareholders and partners for their continued support. We now turn our focus to delivering the next phase of the funding package, with planning for the high yield bond well underway," Fraser added.

### Project funding

Sirius launched a US\$400mln share placing earlier this month as part of a US\$3.8bn project funding plan, and it said the equity sale would be priced at between 15p and 18p each. Last Wednesday, it revealed that the shares would be sold at 15p.

Whilst the share offering was priced at the bottom of range, there evidently was strong demand for the new shares as Sirius revealed that it raised an additional US\$25mln from the placing. Overall, the company is selling around 1.96bn new shares which equates to 28% of the company's enlarged share capital.

Later, in the summer, Sirius intends to secure US\$3bn of purely debt based financing, first with a US\$500mln Senior bond issue followed by a revolving credit facility.

Significantly, the phased funding package has a number of contingent elements so the completion of each comes with a certain amount of de-risking for the company and the project.

### Critical juncture

In a note to clients, analysts at ShoreCap said in their view "the next few weeks represent THE critical juncture for the Stage 2 financing."

They added: "Successfully completing the Senior Debt Event is, effectively, the key to unlocking Sirius's vast potential and, we expect, should catalyse a major re-rating of the shares.

"Beyond that, while Sirius would still be some years from becoming cash generative, an investment in the company

**Price:** 16.34p

**Market Cap:** £1144.83M

### 1 Year Share Price Graph



### Share Information

**Code:** SXX

**Listing:** LSE

**52 week High Low**  
39.54p 12.98p

**Sector:** General Mining - Potash and Phosphate

**Website:** www.siriusminerals.com

### Company Synopsis:

*Sirius Minerals is a UK based fertilizer development company focused on the development and operation of its polyhalite project in North Yorkshire.*

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should become progressively de-risked and enjoy significant value uplift as it advances towards production, we believe."

in afternoon trading, shares in Sirius Minerals were 2.8% lower at 15.46p.

-- Adds analyst comment, share price --

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