

27 July 2016

Refinancing of working capital facility

Donaco International Limited (“**Donaco**” or “**the Company**”) has refinanced its USD20 million working capital facility that was announced to the ASX on 23 June 2015 and 1 July 2015. The refinancing will save the Company approximately USD3.8 million in financing costs over the next two financial years (FY17 and FY18), compared to the cost of repaying the facility in accordance with its original terms.

The refinancing was provided by Mega International Commercial Bank Co. Ltd of Taiwan (“**Mega Bank**”). Of the original USD100 million facility with Mega Bank, Donaco has now repaid USD10 million of the principal amount in January 2016, and a further USD15 million in July 2016, leaving USD75m to be repaid.

The total outstanding debt under these arrangements remains unchanged at USD95 million. This will be repaid over the remaining two year term of the Mega Bank facility, with a balloon payment in July 2018 of USD35.8 million.

Donaco maintains a healthy balance sheet, with net debt to equity of 16% (based on unaudited management accounts). The refinancing announced today will further reduce finance costs.

For further information:

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ABOUT DONACO INTERNATIONAL LIMITED (ASX: DNA)

Donaco International Limited operates leisure and entertainment businesses across the Asia Pacific region.

Our major business is the Star Vegas Resort and Club, a successful casino and hotel complex in Poipet, Cambodia, on the border with Thailand. Star Vegas was established in 1999, and is the largest and highest quality of the Poipet casino hotels. The property has more than 100 gaming tables, more than 1400 slot machines, and 385 hotel rooms.

Our flagship business is the Aristo International Hotel, a successful boutique casino in northern Vietnam, located on the border with Yunnan Province, China. Established in 2002, the property has recently been expanded to a brand new five star resort complex with 400 hotel rooms. Donaco is a pioneer casino operator in Vietnam, and owns a 95% interest in the business, in a joint venture with the Government of Vietnam.

To learn more about Donaco visit www.donacointernational.com
