



A\$1.5 million Convertible Note Rolled Over

MGT Resources Limited ('**MGT**' or the '**Company**') is pleased to announce that it has agreed binding terms (the '**Deed**') with current major shareholder Armstrong Industries HK Limited ('**Armstrong**') for the provision of A\$1.5 million in convertible note facilities ('**Convertible Note**' or '**Note**').

The Company currently holds a convertible note with Armstrong which is due to convert or be repaid on 11 November 2013. If the Company's share price is not at least \$0.15 by that day and the loan does not convert to shares, the Company is required to return the \$1,500,000 loan to Armstrong. The Deed in effect rolls over the original convertible note for a further 3 year term. If, however, the Company's share price is at or above \$0.15 on 11 November 2013 then the original convertible note will convert to shares and the proposed Convertible Note will not come into effect.

SUMMARY OF THE TERMS

Subscriber	Armstrong Industries HK Limited
Issue Price	The issue price of the underlying Shares is the lower of (a) \$0.11 per Share, and (b) the volume weighted average price of the Company's Shares as traded on the ASX for the four days on which such Shares are traded on the ASX up to and including 6th November 2013 multiplied by 1.25 and rounded down to the nearest \$0.001 per Share; save that the Conversion Price shall not be lower than \$0.0875 per Share.
Coupon	8% paid semi-annually in arrears
Security	Unsecured
Maturity	3 years
Redemption	If not previously converted or redeemed, the Notes will be redeemed at the Maturity Date provided the price of MGT shares on the maturity date is equal to or less than the Issue Price

CONDITIONS PRECEDENT

The Convertible Note is subject to MGT shareholder approval. ASX Listing Rule 7.1 limits the number of equity securities (including convertible securities) that a company can issue within any 12 month period to 15% of the company's existing issued capital without shareholder approval.

ASX Release

DATE: 10 October 2013

ASX Code: MGS

Registry: Computershare

Issued Shares: 288,157,040

Tin Price: US\$23,495/t

Gold Price: US\$1,305/oz

MGT

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Shareholder approval for the Note will be sought at the Company's Annual General Meeting (AGM) on 7 November 2013. A copy of the Notice of Meeting and Explanatory Memorandum for the AGM can be found at www.mgt.net.au. If shareholders vote to approve the Convertible Note then the issue of shares on conversion of the Note will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.1.

ENDS

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