



ACN 119 749 647 (formerly Modena Resources Ltd.)

10 January 2012

Companies Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

### Debt Reduction and Restructuring of Convertible Loans

#### **HIGHLIGHTS**

- ✓ **The value of loan commitments has been reduced by over A\$2.8 million**
- ✓ **Loan maturity dates have been extended to end-2012**
- ✓ **Progress being made to reinstate trading on ASX**

Sprint Energy Limited ("Sprint") (ASX Code: SPS) is pleased to advise that it has successfully renegotiated the terms of its convertible loans. The value of these loans has been reduced by over A\$2.8 million, thereby significantly improving the financial position and outlook of the Company. These negotiations have reduced the value of the loans to approximately A\$3.9 million from a previous balance of \$6.7 million, and extended the maturity to the end of 2012. Please refer to the table on page two for further details.

As part of the revisions to these loans, Leopard Resources NL (formerly Acclaim Exploration NL) (ASX Code: LRR) and Eldore Mining Corp. Ltd (ASX Code: EDM) have both agreed to accept 5 million shares each, as full payment of outstanding interest on their loans totalling A\$362,873. These shares will be issued at a nominal \$0.036 each using the Company's 15% capacity under Listing Rule 7.1 and will be escrowed for 12-months from the date of issue. The loans from both companies will accrue zero interest from 1 January 2012.

AM Securities Pty Ltd has also agreed to write down its loan to the Company by \$1 million and accept A\$250,000 as full payment for all interest accrued to 31 December 2011. This interest will be paid in two tranches, A\$50,000 was paid on 30 December 2011 and the balance of A\$200,000 is due on or before 31 January 2012. Interest on this loan will accrue at 8.5% from 1 January 2012 and will be payable monthly.

The maturity date for the all of these loans has been reset to 31 December 2012.

Following the completion of the loan renegotiations Sprint's Chairman, Mr Cosimo Damiano, said, "This is a significant step forward for Sprint and the Board is very pleased with the outcome of the recent discussions with its lenders. We have been able to reduce the value of these loans by more than 42% and our lenders have agreed to reset the due date on these loans to the end of 2012. In particular, the resetting of the

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maturity date on the loans takes considerable financial pressure off Sprint and provides management the opportunity to focus on asset value enhancement opportunities.”

Mr Damiano went on to say, “The completion of this portion of the balance sheet restructuring work is a major milestone in recovery process of the Company. Our technical and commercial review of the Company’s US assets is continuing and we anticipate the US accounts audit to be finalised in the coming weeks, following which we will seek reinstatement on the Australian Stock Exchange.”

The changes to the convertible loan amounts and terms are as follows:

Lender	Previous		New		Reduction
	Amount	Maturity Date	Amount	Maturity Date	
<b>AM Securities Pty. Ltd.</b> <sup>1</sup>	\$1,000,000.00	29 Jan 2012	-	-	\$1,000,000.00
<b>Leopard Resources NL</b>	\$1,856,976.56	31 Dec 2011	\$759,293.95	31 Dec 2012	\$1,097,682.61
<b>Eldore Mining Corp. Ltd</b>	\$1,359,047.44	30 Mar 2012	\$598,716.81	31 Dec 2012	\$760,330.63
<b>AM Securities Pty. Ltd.</b>	\$2,500,000.00	29 Jan 2012	\$2,500,000.00	31 Dec 2012	-
<b>TOTAL</b>	<b>\$6,716,024.00</b>		<b>\$3,858,101.77</b>		<b>\$2,858,013.24</b>

1. Loan previously held by Merchant Striker Capital Ltd., an entity related to former director Andrew Waller.
2. Leopard Resources NL and Eldore Mining Corp. NL are entities related to former directors Anthony Hamilton, Craig Willis, Tony Izelaar, and Andrew Waller.
3. AM Securities Pty Ltd is an entity related to the father of former director Andrew Waller.

Truestone Capital Ltd advised the Company during the negotiations and has agreed to accept payment in the form of 5,000,000 million shares at \$0.02 per share and 5,000,000 options exercisable at \$0.06 each. These shares will be issued using the Company’s 15% capacity under Listing Rule 7.1 and the options will be issued subject to shareholder approval at the Annual General Meeting.

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**About Sprint Energy Ltd:** Sprint Energy Ltd is an independent oil and gas exploration and production Company, listed on the Australian Stock Exchange (Code – SPS). Its primary focus of operations is Texas, USA.

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