



### **Endeavour Loan Extension and Increase**

8 December 2009 – London: Further to the Company’s announcement on 1 December 2009, European Nickel PLC (“European Nickel” or the “Company”) (AIM, PLUS: ENK) confirms that Endeavour Financial Corporation (“Endeavour”) has signed an amendment to the original secured Bridging Loan Facility Agreement (“the Facility”) to increase the Facility by US\$1 million to US\$5 million and to extend its maturity date to 1 March 2010.

The Company has agreed to a 2% per month extension fee, payable on maturity in respect of the original Facility amount. In connection with the Facility amendment and in addition to the existing warrants as per the announcement on 8 July 2009, Endeavour has also been granted 6.5 million additional warrants, 4 million warrants at a price of 8 pence and 2.5 million warrants at 9 pence, all of which are exercisable over a period of three years. The coupon on the Facility is 10% per annum.

In addition Endeavour has been appointed to provide financial advisory services to the Company and in connection with this appointment, the Company has granted Endeavour six million warrants at 9 pence, exercisable for a period of three years.

### **Update on the Chinese Financing Framework Agreement**

Jiangxi Rare Earth and Rare Metals Tungsten Group Company Limited (“JXTC”) continues to progress the approval process for its US\$20 million equity investment in the Company’s Çaldağ project through the various provincial government departments. JXTC has advised European Nickel that provincial government approval of the JXTC investment is also subject to the receipt of an export credit agency letter of intent. This process is now expected to be completed during the first quarter of 2010.

On the project debt financing side, following China Tianchen Engineering Corporation’s (“TCC”) application for credit guarantee insurance to the Government backed export credit agency providing the cover for the debt facility, a letter of interest has been received which confirms the process is now fully underway. An expression of interest has also been received from an institution managing the investment of a US\$43 billion government backed programme, which is a further step in the credit guarantee insurance process. The next step is to receive a formal letter of intent, which is now expected during the first quarter of 2010.

Simon Purkiss, Managing Director said “Endeavour’s ongoing support while we make progress on the Chinese financing is appreciated. The Çaldağ project is ready to start construction and the inherent value of our low cost heap leach technology is recognised by Endeavour. We will continue to update the market as we make further progress towards the completion of Çaldağ’s financing.”

Neil Woodyer, CEO of Endeavour said “We believe in European Nickel’s business and will continue to support European Nickel in all areas of its strategic development.”

**For more information**, please visit [www.enickel.co.uk](http://www.enickel.co.uk) or contact:  
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