

Sibanye-Stillwater launches \$500m convertible bonds to fund battery metals expansion

By  [Lindsey Schutters](#)

21 Nov 2023

Global mining and metals processing group Sibanye-Stillwater announced on Monday that it has launched an offering of \$500m senior unsecured guaranteed convertible bonds due in 2028. The bonds will be convertible into the company's ordinary shares at a premium of 30% to 35% above the current share price.



Electric vehicle charging. Source: Hyuandai Motor group/Pexels

The company said that the proceeds from the offering will be used to fund its growth strategy, including the acquisition of Reldan, a leading battery metals producer. Sibanye-Stillwater is one of the world's largest producers of platinum, palladium, rhodium and gold, and has diversified into battery metals, recycling and tailings reprocessing.

“The Convertible Bond offering is one of various available financing options, which provides financial flexibility at a reasonable cost under current market conditions, and will enable further delivery on our strategic growth objectives at an opportune time in the commodity cycle, whilst maintaining balance sheet resilience and liquidity” Sibanye-Stillwater CEO, Neal Froneman commented in the [media statement](#).

These new bonds will pay a coupon of between 4.0% and 4.5% per annum, and the issuer has the option to redeem the bonds at any time after December 2026, or if less than 15% of the bonds remain outstanding. They will be guaranteed by Sibanye-Stillwater and some of its subsidiaries, with Absa Bank, BMO Capital Markets, BofA Securities and Goldman Sachs are acting as joint global coordinators and joint bookrunners for the offering.

Subject to approval

The offering is subject to the approval of the shareholders of Sibanye-Stillwater within nine months of the issue date. The issuer and Sibanye-Stillwater also intend to substitute RecycleOne, an indirect subsidiary of Sibanye-Stillwater, as the primary obligor under the bonds, subject to certain conditions.

The bonds will be offered by way of an accelerated bookbuild to qualified investors in the EEA, the United Kingdom, Canada and South Africa and will not be offered to the public or to retail investors. Admission to trading on the Frankfurt Stock Exchange is expected within 90 days of the issue date.

ABOUT LINDSEY SCHUTTERS

Lindsey is the editor for ICT, Construction&Engineering and Energy&Mining at Bizcommunity

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