

**30 December 2008****Weatherly International Plc (“Weatherly” or the “Company”)****Loan Facilities**

Weatherly today announces, following on from the Heads of Agreement announced on 1 December 2008, that it has entered into loan facility agreements with Chelopech Mining EAD (“Chelopech”) a wholly owned subsidiary of Dundee Precious Metals (“DPM”) and Louis Dreyfus Commodities Metal Suisse SA (“Louis Dreyfus”) to provide the Company with \$11.3 million of new funding.

Chelopech has entered into an agreement to provide Namibian Custom Smelters (“NCS”), a wholly owned subsidiary of Weatherly which operates the Tsumeb smelter with a \$7 million facility, \$1 million of which has already been advanced.

The Company has a separate agreement with Louis Dreyfus for a \$4.3 million facility consisting of \$2 million which is effectively a prepayment made under the terms of the concentrate tolling arrangements that have been concluded, and a 12 month extension to \$2.3 million of credit currently owed to Louis Dreyfus by Weatherly.

Following the signing of the loan facility agreements, Weatherly will make the necessary structural adjustments following the closure of its mines in Namibia; to fund the expansion and ongoing requirements of the Tsumeb Smelter; and meet the costs of placing the Otjihase, Matchless and Tschudi mines on care and maintenance. The licences for all Weatherly’s mining assets will be maintained in good standing and an application will be submitted for a retention licence for Elbe.

The terms of the loans include the extension of the three year contract to process imported concentrates from Chelopech and Louis Dreyfus for a period of 5 years. During this period Louis Dreyfus will also be the exclusive off taker of copper blister produced by the Tsumeb Smelter and exclusive supplier of additional copper concentrates required by the smelter. Under the terms of this contract, the Tsumeb Smelter will process up to 120,000 dry metric tonnes (‘dmt’) of concentrates in 2009, increasing to over 200,000 dmt from 2010 onwards after commissioning the proposed oxygen plant.

In the overall restructuring of the Company’s debt profile, Weatherly has renegotiated the terms of the US\$12m Convertible loan note agreed in May 2008 with significant shareholders. Repayment will now take place in three annual instalments with US\$3m due to be paid in May 2009, US\$4m in May 2010 and US\$5m in May 2011. The conversion price has been reduced from 23.5 pence to 8 pence and the note holders have waived previous acts of default under the terms of the original loan note.

Having taken measures to secure its assets in the face of the current commodities downturn, Weatherly intends to focus in the short term on the operation of the Tsumeb Smelter while

seeking to optimise other development opportunities to be well positioned when commodity prices recover.

Having secured the new loan facilities and the long term contracts for the throughput of concentrate to the Tsumeb Smelter, the Company is now working to complete in mid-January 2009 the audit of its Namibian subsidiary accounts and those of the Company to publish its Annual Report and accounts for the financial year ending 30 June 2008. The Annual General Meeting is scheduled for mid-February. The Company will provide a detailed trading update and more detail in respect of the transactions referred to above in the Annual Report and accounts. When the Annual Report and accounts are published, the Company will seek the resumption of trading of its ordinary shares on AIM.

**Commenting on the facility, Rod Webster, CEO of Weatherly said:**

“With the extension of these loan facilities, Weatherly has now secured the necessary capital to fund the restructuring which the Directors believe will enable the Company to weather the current down turn in the commodities market, preserve the value inherent in our mining assets, look forward to progressing our other projects and focus on opportunities provided by the current economic environment.”

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