

## THE CAYENNE TRUST PLC

### Outline terms of the modified CULS

On 3 December 2010, the Company announced that it intends to put forward proposals to modify the terms of the GBP9,167,100 Convertible Unsecured Loan Stock due 2011 (the "CULS") currently in issue to extend their maturity to 31 July 2016, and to conduct a placing of further CULS.

The Company now announces that, subject to approval by both CULS-holders and ordinary shareholders:

- the conversion price of the modified CULS will be equal to 110 per cent. of the NAV per ordinary share at the date of CULS-holder approval;
- the CULS will be convertible and will pay interest quarterly, rather than the current semi-annual conversion and interest payments;
- the coupon on the CULS will remain at 3.25% per annum; and
- a new non-call period to 31 January 2012 will be introduced, during which the Company may not exercise its right under the Trust Deed to serve notice of redemption on CULS-holders.

It is expected that, following the placing of CULS, the total balance of CULS outstanding will be GBP15 million nominal.

As previously indicated, it is expected that notices of general meetings will be despatched to CULS-holders and ordinary shareholders in late December and that a prospectus in connection with the placing of further CULS will be published shortly thereafter.

### Cancellation of treasury shares

The Company also announces that it is cancelling the remaining 265,980 Ordinary Shares currently held in treasury. As a result the number of Ordinary Shares in issue, and total voting rights attaching thereto, are both 43,602,910.

### **Phoenix Administration Services Limited - Secretary**

20 December 2010

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