

THE CAYENNE TRUST PLC

Proposed Bonus Issue of Subscription Shares

The Board of The Cayenne Trust plc (the "Company") announces proposals for a bonus issue of subscription shares to shareholders. The Board believes that subscription shares represent an attractive way in which shareholders can participate in any future net asset growth of the Company through subscribing for ordinary shares, as well as having the potential to increase the size of the Company.

The subscription shares will have a duration of one year and will be issued to shareholders on a one for five basis. The subscription price is expected to be set a premium of one per cent. to the NAV per ordinary share at the close of business of the day immediately before the general meeting at which the proposal to issue subscription shares is considered.

It is proposed that the conversion price of the 3.25% 2011 convertible loan stock will be reduced to reflect the terms of the issue of subscription shares.

It is expected documents containing recommended proposals will be posted to holders by the beginning of May 2009. A further announcement will be made in due course.

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Enquiries:

Len Gayler, Cayenne Asset Management, tel 020 7233 8899
Katie Standley, Winterflood Investment Trusts , tel 020 3100 0297