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Company [CIC Capital Ltd](#)
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Headline Update and Loan Facility
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CIC CAPITAL LTD.

("CIC" or the "Company")

Update and Loan Facility

CIC (AIM: CICC), the consulting and advisory firm operating primarily in the mining and energy infrastructure sectors, announced on 17 December 2013 that due to unforeseen technical reasons relating to the Company's change of name in May 2013 and restrictions subsequently imposed on the Company's new ISIN in the US by DTC this has resulted in the Company being unable to register new common shares issued into CREST. The Directors believe that this effectively prevents the Company from raising working capital by issuance of equity by way of common shares. The Company is urgently working with its advisers to resolve this problem and will issue an update as soon as possible.

On 31 July 2013, the Company announced that Balfour and Jarada had agreed to advance to 31 December 2013 their respective payments of £1,350,000 and £1,350,000 to acquire shares in CIC Fuels Limited and their respective payments of US\$2,700,000 and £1,350,000 to acquire shares in CIC Gold Limited from the Company. Also on 17 December 2013, the Company announced that in order to facilitate these receipts and as a tax planning measure, a new offshore company has been established in the Republic of Seychelles. The Company is in the process of establishing new bank and treasury facilities to be put in place in Hong Kong with HSBC alongside the Company's existing bank facilities. The Company has agreed with Jarada and Balfour that their remittances will be delayed until this matter has been resolved.

In light of the fact that the Company's cash at bank as at 26 December 2013 was £36,000 and that there will be delay in receiving the remittances from Jarada and Balfour referred to above and due

to the fact that the Company has ongoing costs and expenses to be covered, the Company is pleased to announce that it has entered into a loan agreement for up to US\$2,000,000 with YA Global Master SPV Ltd ("Yorkville") (the "Yorkville Facility"). The proceeds of the Yorkville Facility will be used to provide the Company with additional working capital including funding professional fees to be incurred in respect of seeking to obtain stock market quotations for the Company's investee companies.

Under the Yorkville Facility, Yorkville has agreed to lend CIC up to a maximum aggregate amount of US\$2,000,000 subject to and upon a number of terms and conditions. The headline terms include:

- The loan is secured by a charge of shares, provided from the personal holding of Stuart J. Bromley, the CEO of CIC. The charge is in respect of 50,418,560 ordinary shares of CIC. This represents 98.8% of Stuart J. Bromley's total shareholding in CIC. Stuart J. Bromley's total shareholding represents 27.38% of the total ordinary shares in issue for CIC and his shareholding had a mid-market valuation of £2,935,653 as at 31 December 2013.
- Yorkville will charge interest at 12% per annum on the advanced balance, calculated on a daily basis and a year of 365 days.
- The first advance is for US\$500,000 ("first advance") receivable upon execution of the Loan Agreement and repayment of this advance will commence in February 2014 followed by monthly instalments to July 2014. Yorkville retain absolute discretion in regards to any subsequent advance and the repayment of any subsequent advance shall be materially in the form of the first advance repayment schedule.
- An implementation fee of US\$40,000 in respect of the first advance and an amount equal to 8% of each subsequent advance will be charged by Yorkville and deducted from each respective advance.
- Within 7 days following the completion of each advance, CIC shall grant to Yorkville warrants with an exercise period ending on the third anniversary following issue. The number of warrants due is equal to 100% of such advance multiplied by the exchange rate (Bloomberg Spot) and divided by the average of the 5 daily volume weighted average prices ("VWAP") of the shares on AIM.

Stuart J. Bromley will receive no financial or other compensation for charging his shares as security for the Yorkville Facility. The share charge can be enforced by Yorkville where an event of default occurs under the loan agreement and Yorkville declares all outstanding amounts under the loan and any interest thereon to be immediately due and payable and if Yorkville elects to convert such amount into shares in CIC and CIC fails to allot and issue the relevant shares Yorkville.

The charge of shares is a related party transaction as defined in Rule 13 of the AIM Rules for Companies. Accordingly, the CIC directors, other than Stuart J. Bromley who has an interest in the transaction, consider, having consulted with Cairn Financial Advisers LLP, the Company's nominated adviser, that the terms of the transaction are fair and reasonable so far as the Company's shareholders are concerned.

Enquiries

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CIC Capital Ltd

The Company is a consulting and advisory company, operating primarily in the mining and energy infrastructure sectors. The Company seeks to provide consulting and advisory services to entities operating at various stages of resource development, and the exclusive right to control the public listing process of any client company if the client company is an unlisted company.

The core services provided by CIC Capital Ltd. are: the Advisory Service which provides a range of technical, project management, strategic and commercial services; the Strategic Investment Service which helps companies source investment from industry partners for which the Company will typically receive an equity interest; and Advice on Listings where the Company helps the client realise value by listing on a Stock Exchange www.CICCapital.com

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Update and Loan Facility - RNS