

Regulatory Story

Company [Red24 PLC](#)
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Headline Loan Extension and Cancellation of
Deferred Shares
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Red24 Plc

("Red24" or "the Company")

EXTENSION OF LOAN NOTES CANCELLATION OF DEFERRED SHARES

Red24 Plc today announces that £125,000 of the £375,000 outstanding 12% loan notes will be redeemed on 31 March 2009. Agreement has been reached with the remaining holders of the loan notes to extend the redemption date to 30 September 2010 ("the Loan Extension Agreement"). The coupon remains set at 12%.

In consideration for agreeing to extend the term of loan notes, the Company has agreed in principle to re-price the warrants that were issued pursuant to the original loan note agreements, from 10p per share issued upon exercise of 1 warrant to 5p per share. However, this re-pricing is subject to approval by shareholders, and the Company will seek such approval at the next Annual General Meeting of the Company.

As £190,000 of the Loan Extension Agreement relates to loan notes held by Sidebell Limited, a company controlled by Simon Richards, the transaction represents a related party transaction under the AIM Rules. The independent directors in respect of the Loan Extension Agreement have consulted with the Company's nominated adviser which has confirmed that, in its opinion, the terms of the transaction are fair and reasonable as far as the shareholders are concerned.

