

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR")

16 September 2016

**Caledonian Trust plc**

**("Caledonian Trust" or "the Company")**

**Additional loan facility from Leafrealm Limited to fund property developments**

The Company announces that on 16 September 2016 it entered into an agreement with Leafrealm Limited ("**Leafrealm**") to put in place a loan facility of up to £360,000 (the "**Brunstane Loan Facility**") in order to provide funding for the anticipated construction costs to be incurred on two new semi-detached houses at Brunstane Road South, Edinburgh, Scotland. Leafrealm is a company controlled by Douglas Lowe, Caledonian Trust's Chairman, Chief Executive and major shareholder.

The two plots are semi-detached houses for which the Company gained an enhanced planning consent in May 2016. The Company has entered into a building contract with Richmond Homes (Scotland) Limited for the construction of the two houses.

Under the terms of the Brunstane Loan Facility, Leafrealm will advance amounts to the Company on a monthly basis to fund the ongoing construction costs for the development and to meet certified valuations approved by an architect each month. The Company has today drawn down an initial tranche of £50,000 under the Brunstane Loan Facility. The Company anticipates drawing down further on the Brunstane Loan Facility each month until construction of the two houses has been completed, which the Board of Caledonian Trust expect will be completed in January 2016.

The key terms of the Brunstane Loan Facility are:

- Facility of up to £360,000;
- Amounts drawn down under the Brunstane Loan Facility will accrue an annual interest rate of 0.5% over the base rate;
- Amounts drawn down under the Brunstane Loan Facility will not be convertible into new ordinary shares in the Company; and
- Unsecured loan facility.

The Board intends to repay amounts drawn down under the Brunstane Loan Facility from the future sales proceeds of the two houses.

In addition, Leafrealm has provided an additional unsecured loan of £50,000 to Caledonian Trust in order to enable the Company to provide funding for the acquisition of certain rights in relation to two other development sites located within the Loch Leven Ramsar catchment area in Scotland (the "**LLR Loan**"). The unsecured LLR Loan is on the same terms as the existing loan facility with

Leafrealm (“**Existing Leafrealm Loan**”), for which £3,530,000 is outstanding as at today’s date. Full details on the terms of the Existing Leafrealm Loan were detailed in the announcement released by the Company on 1 July 2016.

Following the drawing down of £50,000 under the Brunstane Loan Facility and the LLR Loan, the total amounts advanced by Leafrealm to the Company across the loan arrangements total £3,630,000 as at the date of this announcement.

Enquiries:

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