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St Peter Port Capital Limited
15 February 2021

The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

St Peter Port Capital Limited (the "Company")

Proposed Auction of the Company's Assets

This announcement outlines an auction process which the Board proposes to facilitate the disposal of all the Company's assets. Following completion of the process, we would seek to return the net cash so realised to shareholders as a return of capital, having made provision for a subsequent orderly liquidation; the current intention is to then seek shareholder consent for the appointment of a liquidator and cancellation of the Company's admission to trading on AIM. This approach represents a variation of the proposal detailed in the Company's recent interim accounts where the auction was expected to occur after cancellation.

Background

We gave an update on the Company's portfolio in our interim report issued on 30 December 2020. Whilst the ongoing impact of the Covid pandemic has continued to delay progress in our portfolio companies, your Board considers that there remains value in the medium-long term, but exits directly arising from events in the portfolio do not seem likely in the short term.

The recent development in Buried Hill relating to the signing of a Memorandum of Understanding between the Turkmen and Azeri Governments (announced by the Company on 22 January 2021) is particularly encouraging. However, our largest holding by value, Brazil Potash, is still not at an inflexion point: Covid has held up the issue of the final permits after nearly all needed have been obtained. It has also made Brazil a no-go area for visits by foreign investors looking to fund the full development of a mine.

For the remainder of the active portfolio, the change of administration in Washington DC presents challenges for Red Flat Nickel. SeeCubic, the successor to STV, is still perhaps two years away from major commercialisation whilst iQur remains early stage. Despite our efforts, this year to date we have only been able to sell one small holding in the secondary market on terms which your Board believed was reasonably close to its underlying value.

Whilst we have cut the costs of running the Company to a low level, we recognise that without short-term liquidity prospects we cannot continue as we are. Moreover, we cannot continue unless we can justify it by improved value creation.

Auctions of the Company's holdings

We have therefore decided to propose an alternative solution. We will hold formal auctions of each of our holdings of value (those listed above separately and a package consisting of all the remaining holdings as a bundle). Each lot will be sold to the highest cash bidder with verifiable means, subject to Board discretion to ensure that the overall proceeds are maximised. Shareholders will then be asked at a General Meeting to approve the appointment of a liquidator to wind the Company up and to distribute the net proceeds of the auction less

liquidation and other costs to the shareholders, and to approve the cancellation of the Company's admission to trading on AIM.

We envisage that such auctions will, to the extent permitted by regulation, be open to any shareholder in the Company as well as to any other serious bidder including shareholders in the companies making up our portfolio. We will employ an agent to conduct the auction and seek to generate a wide range of bidders for each lot on offer.

The auctions will have two stages, submission of an expression of interest and evidence of capacity to participate. The second stage will give an opportunity to review any confidential material having signed an appropriate non-disclosure agreement, following which offers will be requested.

Timetable

We are in the process of formulating auction packs and working with an independent auctioneer on the process. If shareholders have any comments or suggestions, we are open to considering them and comments can be sent to Maitland, the Company's administrators, on sppc@maitlandgroup.com on or before Monday, 22 February 2021. We envisage that the entire process will take in the order of 6-8 weeks from launch on or around the beginning of March 2021.

For further information:

St Peter Port Capital Limited
Lynn Bruce, Director +44 (0) 1481 724 222

Grant Thornton UK LLP (Nominated Adviser)
Philip Secrett
Jamie Barklem +44 (0) 20 7383 5100

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