



CONSOLIDATED GLOBAL INVESTMENTS LIMITED

(ABN 97 009 212 293)

Registered Office:
Level 1, 284 Oxford Street
LEEDERVILLE WA 6007

Telephone: (08) 9242 2621
Facsimile: (08) 9443 9960

11 July 2014

Corporate Summary

ASX Code: CGI

Issued Capital: 80.3 Mil

Contact Details

284 Oxford Street

LEEDERVILLE

Western Australia 6007

Tel: +61 8 9242 2621

Fax: +61 8 9443 9960

info@cgi.net.au

www.cgi.net.au

Enquiries:

John Palermo

Chairman

**LOAN AGREEMENT AND GENERAL SECURITY DEED
ASX GRANTS WAIVER FROM LISTING RULE 10.1**

Consolidated Global Investments Limited (ASX: CGI or the Company) announces that the ASX has granted the Company a waiver from ASX Listing Rule 10.1, to allow the Company to grant security to Finebase Holdings Pty Ltd as trustee for the Finebase Trust (Finebase), in order to secure funding of up to \$200,000 to be provided by Finebase, without shareholder approval.

Loan Agreement and General Security Deed

The Company has entered into a loan agreement, (**Loan Agreement**) under which Finebase will loan up to \$200,000 to the Company (**Loan**).

The key terms of the Loan Agreement are as follows:

- The interest payable under the loan is 7.97% per annum. Interest is payable monthly in arrears at the interest rate and is calculated on the daily balance of the Loan on the basis of a 365 day year.
- The Loan is repayable 12 months from the date the first advance is made to the Company. The Borrower however may repay the whole or any part of the amount then outstanding at any time and from time to time on any date on which interest is payable.
- If an event of default occurs, the Company must repay the Loan and any interest in cash and the balance of any other amounts outstanding, within 20 Business Days of Finebase issuing a written notice requiring repayment.

The proceeds from the Loan will be applied to the Company's activities and expenditure on tenements and also to meet ongoing corporate expenses.

The Board considers that the Loan Agreement is on arm's length commercial terms and as such shareholder approval is not required under Chapter 2E of the Corporations Act (Cth) 2001 in respect of the Loan Agreement.

The Company has also entered into a general security deed under which the Company has granted security over all its present and after acquired property in order to secure amounts owing under the Loan Agreement (**General Security Deed**).

Waiver from Listing Rule 10.1

Finebase is a major shareholder of the Company, and is an entity controlled by Mr John Palermo, the Managing Director of the Company. Finebase is a related party of the Company.

The Company accordingly sought a waiver from the ASX to allow for the grant of the security under the General Security Deed to secure the funding to be advanced by Finebase under the Loan Agreement, without shareholder approval.

The waiver from Listing Rule 10.1 has been granted by the ASX on the conditions set out below.

Conditions

1. The Loan Agreement and General Security Deed include a term that if an event of default occurs and Finebase, or any of its associates, exercise their rights under the General Security Deed, neither Finebase nor any of its associates can acquire any legal or beneficial interest in the Company or an asset of the Company in full or part satisfaction of the Company's obligations under the Loan Agreement or General Security Deed, or otherwise deal with the assets of the Company, without the Company first having complied with any applicable listing rules, including listing rule 10.1, other than as required by law or through a receiver, or receiver and manager (or any other person acting on behalf of Finebase) appointed by Finebase exercising its power of sale under the Loan Agreement or General Security Deed and selling the assets to an unrelated third party on arm's length commercial terms and conditions and distributing the cash proceeds to Finebase or any of its associates in accordance with their legal entitlements.
2. A summary of the material terms of the General Security Deed is made in each annual report of the Company while the General Security Deed is held over the Company and its assets.
3. Any variation to the terms of the Loan Agreement or the General Security Deed which is:
 - (i) not a minor change; or
 - (ii) inconsistent with the terms of the waiver,must be subject to shareholder approval.
4. The Company must seek to discharge the General Security Deed when the funds advanced under the Loan Agreement have been repaid, or if not discharged, seek shareholder approval for the continuation of the General Security Deed for any further loan facility amount.
5. The Company immediately releases to the market an announcement which sets out the terms of the waiver, and the Company's plans with respect to the repayment of the funds advanced under the Loan Agreement and the discharge of the General Security Deed, including the timeframe within which it expects the repayment and discharge to occur.

Repayment and discharge

CGI will be required to repay the Loan and any interest in cash and the balance of any other amounts outstanding will be repayable, within 12 months from the date the first advance is made. The Company will seek the discharge of the General Security Deed when the funds advanced under the Loan Agreement are repaid.

- Ends -