

## **SHARE SALE OFFER**

No doubt most of you are aware from newspaper and other sources that a share sale is about to take place at Carlisle United. To clarify the issues involved; here is an outline of the situation.

Since the purchase of the club almost two seasons ago, we have injected cash on an ongoing basis to make up the shortfall in costs and overheads. Particularly administration CVA and supervision which cost £492,000 having been budgeted at £80,000. We have now reached a vital point in our redevelopment of the club but we need a cash injection of approximately £400K to clear the slate and leave only one restructured mortgage which should allow the club to stand alone and meet its overheads and costs going forward.

To this end it is proposed to offer 20% of the shares in CUFC Holdings Ltd., for sale to our supporters and friends. The share price shall be £200 per share and anyone purchasing £20,000 worth of shares shall be entitled to an Associate Directorship (the details and benefits of which shall be outlined below). The CCUIST board are in favour of waiving their second option of share purchase to facilitate this sale and are currently canvassing their members to seek their decision. The club board and Chairman are supportive of CCUIST's request to share purchases to invest the voting rights with CCUIST to strengthen their block vote. This would be on a voluntary basis and share purchase does include voting rights in the normal way. It is imperative that this vital step in our financial restructuring takes place immediately. We are confident that this will be a major step in the rebirth and growth of our club.

Any individual wishing to partake in the offer should contact Paul Bell at the club on telephone (01228) 526237 for further information and assistance. We anticipate the offer being available for approximately 3 weeks.

**John Courtenay**  
**Chairman**  
**29<sup>th</sup> March 2004**