

JSC Caucasus Energy & Infrastructure Announces The Results Of The Extraordinary General Meeting Of Shareholders

JSC Caucasus Energy & Infrastructure (CEI, GSE: NRGY), the private equity vehicle managed by Galt & Taggart Asset Management, Georgia (GTAM Georgia), announced the approval of REPO transaction and introduction of amendments to the company's Charter pursuant to the decision taken at the Extraordinary General Meeting of Shareholders (EGM) of CEI on December 12, 2008.

The EGM voted for the approval of the REPO transaction, proposed by the company management in order to support shareholders and protect the company shares from further depreciation, caused by, among other reasons, the global financial crisis. Under the REPO transaction, the CEI shareholders are granted the right to sell up to 60% (sixty percent) of their stake holding in the company back to CEI at (the GEL equivalent) price of US\$ 0.70 (seventy US\$ cents) per share. In case of participation in the above transaction, shareholders are entitled to re-purchase the same amount of CEI shares from the company at a new NAV-linked price in December 2009.

The shareholders willing to participate in the REPO transaction have 7 calendar days (i.e. until December 19, 2008) to submit a written offer to the company's management with the exact number of shares they are willing to sell back to CEI. The proceeds, net of transaction charges, will be wired to shareholders' accounts, tentatively until the end of 2008.

The exact price as well as other details of the re-purchase transaction will be announced closer to the transaction date, i.e. in 4Q, 2009.

The EGM also voted in favor of the following amendments in the CEI Charter: a clause regarding the company liquidation is to be removed from the subparagraph 7.3.1 and is to be drawn into a new subparagraph 7.3.13. The new subparagraph specifies that the decision concerning the company liquidation as well as any changes in the company Charter regarding the company liquidation shall be approved by no less than holders of 95% (ninety five per cent) of voting rights present at the shareholders' meeting, instead of 75% (seventy five per cent), as stated previously.

"We are delighted that in such difficult economic environment globally CEI has found the way to support those shareholders that face liquidity shortages and at the same time create substantial value to those that remain fully committed to the company", commented **Archil Mamatelashvili**, the Chief Executive Officer of CEI.

About Caucasus Energy & Infrastructure

Caucasus Energy & Infrastructure ("CEI") is a joint stock company organized under the laws of Georgia. CEI invests in companies that are engaged in the production, transmission and distribution of gas and electricity, the production, distribution and marketing of crude and oil products, water utilities, cargo warehousing and logistics, toll roads, waste management and recycling, as well as in various carbon emission trade-related opportunities in Georgia, Armenia and Azerbaijan. As such, the Company believes that it is currently the sole investable vehicle admitted to trading on the GSE, which offers investors broad exposure to the energy and infrastructure segments of the economy in Transcaucasia.

About Galt & Taggart Asset Management

Galt & Taggart Asset Management ("GTAM") is an asset management arm of JSC Bank of Georgia. Established in 2007, GTAM acts as an investment advisor to several investment funds, Georgia's second largest pension fund and an endowment with the aggregate AUM about \$150 million as at September 30, 2008.

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