

CANARGO ENERGY CORP

Form 8-K

January 05, 2009

**Table of Contents**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K  
CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of The  
Securities Exchange Act of 1934  
Date of Report (Date of earliest event reported) January 2, 2009  
CANARGO ENERGY CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**

**001-32145**

**91-0881481**

(State or other jurisdiction  
Of incorporation)

(Commission File Number)

(I.R.S. Employer  
Identification No.)

**CanArgo Energy Corporation  
P.O. Box 291, St. Peter Port  
Guernsey, British Isles**

**GY1 3RR**

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code +(44) 1481 729 980

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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*The matters discussed in this Current Report on Form 8-K include forward looking statements, which are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated in such forward looking statements. Such risks, uncertainties and other factors include the uncertainties inherent in oil and gas development and production activities, the effect of actions by third parties including government officials, fluctuations in world oil prices and other risks detailed in the Company's Reports on Forms 10-K and 10-Q filed with the Securities and Exchange Commission. The forward-looking statements are intended to help shareholders and others assess the Company's business prospects and should be considered together with all information available. They are made in reliance upon the safe harbor provisions of Section 27A of the Securities Act*

*of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company cannot give assurance that the results will be attained.*

**Section 7 Regulation FD**

**TABLE OF CONTENTS**

Item 7.01. Regulation FD Disclosure

Item 9.01. Financial Statements and Exhibits

SIGNATURES

EX-99.1

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**Table of Contents**

**Item 7.01. Regulation FD Disclosure.**

January 2, 2009 Guernsey, British Isles CanArgo Energy Corporation ( CanArgo or the Company ) (OSE: CNR, AMEX:CNR) today announced that interest payments of US\$868,000 in aggregate due on December 31, 2008 on CanArgo s senior subordinated and subordinated convertible debt, held by certain accredited investors arranged by Ingalls & Snyder LLC and Persistency Capital LLC (the Noteholders ), were not paid. Under the terms of the respective Note Purchase Agreements under which such debt was incurred the failure to pay such interest payments becomes an event of default after the expiration of a five business day grace period and such debt becomes accelerated upon receipt of a notice of default from the Noteholders. To date, no such notices have been received by the Company. The Company is currently engaged in discussions with the Noteholders aimed at resolving the situation. CanArgo is an independent oil and gas exploration and production company with its oil and gas operations currently located in Georgia.

*The information in this item 7.01 (including its exhibit) shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ( Exchange Act ), or otherwise subject to liability of that section. The information in this report (including its exhibit) shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.*

A copy of the Press Release is attached hereto as Exhibit 99.1,

**Table of Contents**

**Section 9 Financial Statements and Exhibits**

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits:**

| <b>Exhibit No.</b> | <b>Exhibit Description</b>  |
|--------------------|---|
| 99.1               | Press Release dated January 2, 2009 issued by CanArgo Energy Corporation. |

**Table of Contents**

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**CANARGO ENERGY  
CORPORATION**

Date: January 5, 2009

By: /s/ Jeffrey Wilkins  
Jeffrey Wilkins, Corporate Secretary

-4-