

CANARGO ENERGY CORP  
 Form 3  
 April 17, 2008

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*

Â PERSISTENCY  
 (Last) (First) (Middle)

UGLAND HOUSE,Â SOUTH CHURCH STREET

(Street)

GEORGE TOWN,Â E9Â

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)  
 04/07/2008

3. Issuer Name and Ticker or Trading Symbol  
 CANARGO ENERGY CORP [CNR]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer  Other  
 (give title below) (specify below)

5. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)

2. Amount of Securities Beneficially Owned (Instr. 4)

3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)

4. Nature of Indirect Beneficial Ownership (Instr. 5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)

2. Date Exercisable and Expiration Date (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security: Direct (D) or Indirect (I)

6. Nature of Indirect Beneficial Ownership (Instr. 5)

Date Exercisable Expiration Date Title Amount or Number of Shares

(Instr. 5)

Warrant to Purchase Common Stock	12/28/2006	06/28/2008	Common Stock	12,500,000	\$ 1	D <sup>(1)</sup>	Â
Warrant to Purchase Common Stock	12/28/2006	06/28/2008	Common Stock	12,500,000	\$ 1	I	Footnote <sup>(2)</sup>
Note Convertible into Common Stock	12/28/2006	06/28/2010	Common Stock	10,000,000	\$ 1	D <sup>(1)</sup>	Â
Note Convertible into Common Stock	12/28/2006	06/28/2010	Common Stock	10,000,000	\$ 1	I	Footnote <sup>(2)</sup>
Warrant to Purchase Common Stock	06/06/2008	09/01/2009	Common Stock	5,000,000	\$ 1	D <sup>(1)</sup>	Â
Warrant to Purchase Common Stock	06/06/2008	09/01/2009	Common Stock	5,000,000	\$ 1	I	Footnote <sup>(2)</sup>
Note Convertible into Common Stock	06/30/2007 <sup>(3)</sup>	06/30/2010 <sup>(3)</sup>	Common Stock	600,000	\$ 1	D <sup>(1)</sup>	Â
Note Convertible into Common Stock	06/30/2007 <sup>(3)</sup>	06/30/2010 <sup>(3)</sup>	Common Stock	600,000	\$ 1	I	Footnote <sup>(2)</sup>

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PERSISTENCY UGLAND HOUSE SOUTH CHURCH STREET GEORGE TOWN, Â E9Â	Â	Â X	Â	Â
PERSISTENCY CAPITAL, LLC 1270 AVENUE OF THE AMERICAS SUITE 2100 NEW YORK, Â NYÂ 10020	Â	Â X	Â	Â
Morris Andrew C/O PERSISTENCY CAPITAL LLC 1270 AVENUE OF THE AMERICAS, STE 2100 NEW YORK, Â NYÂ 10020	Â	Â X	Â	Â

## Signatures

Persistency, By: /s/ Andrew J. Morris, Director	04/17/2008
**Signature of Reporting Person	Date
Persistency Capital, LLC, By: /s/ Andrew J. Morris, Managing Member	04/17/2008
**Signature of Reporting Person	Date
/s/ Andrew J. Morris	04/17/2008

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) These securities are directly owned by Persistency.

These securities are directly owned by Persistency and may be deemed to be beneficially owned by Persistency Capital, LLC by virtue of its role as the investment manager of Persistency and Andrew J. Morris as the managing member of Persistency Capital, LLC. The

- (2) Reporting Persons disclaim beneficial ownership of the reported securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Persons are the beneficial owners of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.
- (3) This position was acquired via PIK on June 30, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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