

GLOBAL ASSET MANAGEMENT LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2002/003192/06)
Share Code: GAM ISIN: ZAE000173498
("Global" or "the company")
ISIN Code: ZAE 000173498 Share code: GAM

ANNOUNCEMENT RELATING TO THE PRE-APPROVAL OF INSTITUTIONAL FUNDING, THE PROPOSED R15 MILLION CLAW-BACK OFFER, THE R25 MILLION ISSUE OF SHARES UNDER THE GENERAL AUTHORITY, AND CAUTIONARY ANNOUNCEMENT

Shareholders are advised that the company has received a pre-approval letter from an institutional funder for funding assistance of up to R600 million (Six hundred million rand) to enable it to fund part of the capital requirements for the Alternative Energy projects the company has developed, subject to a number of conditions precedent.

In conjunction with the institutional funding facility, the company intends to raise equity capital by way of a Claw-back Offer and in pursuance thereto, the company has entered into a subscription agreement with Insure Group Managers Limited ("Insure"). The terms and rationale of the Claw-back Offer are detailed below.

Shareholders are also advised that the company is continuing its fund raising exercise by issuing additional shares under the general authority as approved by shareholders at the Annual General Meeting that was held on Tuesday, 1 July 2014.

PRE-APPROVAL OF FUNDING ARRANGEMENT OF R600 MILLION BY INSTITUTIONAL FUNDER

The company wishes to advise shareholders that it has received a pre-approval letter from a large institutional funder for funding assistance of up to R600 million (Six hundred million rand) to assist the company in achieving its capital requirements needed to finance its longer term ambitions in the Alternative Energy sector. The funding arrangement will be available to support the immediate execution and delivery of the following projects amongst others:

- The roll out of a plastic waste to oil conversion factory, with the first factory to be established in Springs;
- The roll out of a rubber waste to oil conversion factory, with the first factory to be established during 2015; and
- Solar energy projects, including the generation of concentrated solar power.

The institutional funding facility is subject to various conditions precedent and a further announcement will be made in due course.

THE CLAW-BACK OFFER

Introduction

Shareholders are advised that the company intends to proceed with a Claw-Back Offer to raise R15 000 000 (Fifteen million rand) by issuing 6 521 739 ordinary shares of Global with a subscription price of 230 cents.

Rationale for the Claw-back offer

The company is engaged in various capital raising strategies in order to be able to finance its ambitions in extracting value from various business opportunities that it has developed over the last 2 years. The company has

been engaged in various projects in the Alternative Energy sector, some of which have reached a stage where capital investment is required in order to unlock the value from the projects and to be in a position to access the above mentioned institutional funding facility.

The company has received indicative support from a sister company and existing shareholder, namely Insure, in the form of financial arrangements to allow the company to achieve its growth ambitions. In order to provide equal opportunity to shareholders to participate in this recapitalisation of the company, the capitalisation will be done through the mechanism of a renounceable Claw-back Offer.

The Terms of the Claw-back Offer

In pursuance of the capitalisation strategy and the equitable treatment of current shareholders, the company has entered into a subscription agreement with Insure for an amount of R15 000 000 at an issue price of 230 cents per share. The Claw-back offer will give current shareholders the opportunity to claw-back their shareholding by subscribing for the shares held by Insure in the ratio of 14.25769 Claw-Back Shares for every 100 Global shares held at the record date, which date is to be announced in due course.

Insure will not be charging an underwriting commission on the Claw-back Offer.

The Claw-Back Offer will not include the right for shareholders to apply for excess shares.

ISSUE OF SHARES UNDER THE GENERAL AUTHORITY

As mentioned above shareholders are advised that the company will continue with the issue of shares authorised by shareholders to be issued under the general authority to issue shares for cash in order to meet its equity funding commitments and to unlock value in the projects it has been involved in and which have been mainly focussed in the Alternative Energy sector.

The company has raised over R27 million since listing, which has been applied to developing the Energy Efficiency Company ("EEC") (formed to fund energy efficiency projects) and Energon, an approved Electricity Services Company ("ESCO") in which Global holds a 50% equity share.

Global intends raising an additional R25 million by issuing up to 10 869 565 ordinary shares of no par value under the general authority for a minimum subscription price of 230 cents per share. Interested investors should e-mail global@arborcapital.co.za.

CAUTIONARY ANNOUNCEMENT

In light of the above mentioned proposed Claw-back Offer, issue of shares under the general authority and funding pre-approval ("transactions"), shareholders are advised to exercise caution when dealing in the securities of the company until a further announcement is made, as the proposed transactions, if successfully concluded, may have a material effect on the price of the Company's securities.

Johannesburg
10 November 2014

Designated Advisor
Arbor Capital Sponsors Proprietary Limited