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**CONDUIT CAPITAL LIMITED**  
Incorporated in the Republic of South Africa  
(Registration number 1998/017351/06)  
Share code: CND ISIN: ZAE000073128  
("Conduit Capital" or "the Company" or "the Group")

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**CONDUIT CAPITAL TO RAISE R150 MILLION TO PURSUE OPPORTUNITIES  
DECLARATION ANNOUNCEMENT IN RESPECT OF THE CONDUIT CAPITAL RIGHTS OFFER**

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**1. INTRODUCTION**

Conduit Capital is pleased to announce that it intends to raise R150 000 000 by way of a fully underwritten renounceable rights offer ("**Rights Offer**"), in terms of which the Company will offer a total of 75 000 000 new Shares ("**Rights Offer Shares**") at a subscription price of 200 cents per Rights Offer Share ("**Subscription Price**") in the ratio of 29.25347 Rights Offer Shares for every 100 Shares ("**Ratio**") held at the close of business on the record date for the Rights Offer, being Friday, 27 November 2015 ("**Record Date**").

**2. PURPOSE OF THE RIGHTS OFFER**

The purpose of the Rights Offer is to provide Conduit Capital with additional capital in the amount of R150 000 000 to enable the Company to pursue insurance related opportunities, some of which have already been identified.

**3. NATURE OF THE BUSINESS OF CONDUIT CAPITAL**

Conduit Capital is an investment holding company which is listed on the Main Board of JSE Limited ("**the JSE**") with the specific objective of supporting its subsidiary companies and allocating capital across the Group. Conduit Capital operates through two main divisions, namely:

- Insurance and Risk, which houses the Group's insurance interests; and
- Investments, which houses the Group's investment activities.

**4. SALIENT TERMS OF THE RIGHTS OFFER**

In terms of the Rights Offer, Conduit Capital will offer a total of 75 000 000 Rights Offer Shares at a subscription price of 200 cents per Rights Offer Share in the ratio of 29.25347 Rights Offer Shares for every 100 shares held in Conduit Capital on the close of business on the Record Date.

The Subscription Price represents:

- a discount of 20.50% to the 30 day volume weighted average price ("**VWAP**") to the traded price of Conduit Capital Shares on the JSE as at 11 September 2015, the date on which the Rights Offer was approved by the Board of Directors of Conduit Capital ("**the Board**"); and
- a discount of 31.15% to the 30 day VWAP of Conduit Capital Shares on the JSE as at 8 October 2015, being the date prior to the release of this announcement.

Upon their issue, the Rights Offer Shares will rank *pari passu* in all respects with the existing Conduit Capital Shares.

**5. UNDERWRITING**

Conduit Capital will enter into an underwriting agreement with Protea Asset Management LLC ("**Protea**") in respect of the Rights Offer, to the full value of R150 000 000 ("**Underwriting Agreement**"). Protea, in its capacity as investment advisor, acts on behalf of the ultimate underwriter, Ithuba Investments LP, which is a fund based in the United States of America ("**USA**").

Protea is an investment management business incorporated in the USA and founded by Mr S Riskowitz, the Chief Executive Officer of Conduit Capital.

Mr Riskowitz, who is the Managing Member of Protea, has no direct beneficial interests in Conduit Capital Shares. He is however, a shareholder in a number of entities under his control, which own between them an aggregate of 34 431 333 Conduit Capital Shares.

Further details of the Underwriting Agreement will be set out in the Rights Offer circular to be dated on or about 24 November 2015 and distributed to shareholders as set out in paragraph 10 below.

## 6. CONDITIONS PRECEDENT

The implementation of the Rights Offer is subject to the conclusion of the Underwriting Agreement, approval being obtained from the JSE of the Rights Offer circular and for the listing of the Letters of Allocation and the Rights Offer Shares.

## 7. SALIENT DATES AND TIMES

The proposed salient dates and times in respect of the Rights Offer are set out below:

	<b>2015</b>
Rights Offer Declaration Data announcement released on SENS	Friday, 9 October
Rights Offer Finalisation announcement released on SENS	Tuesday, 17 November
Last day to trade in Conduit Capital Shares in order to settle trades by the Record Date for the Rights Offer and to qualify to participate in the Right Offer ( <i>cum</i> entitlement) on	Friday, 20 November
Listing of and trading in the Letters of Allocation on the JSE commences at 09:00 on	Monday, 23 November
Conduit Capital Shares commence trading ex-rights on the JSE at 09:00 on	Monday, 23 November
Circular and Form of Instruction posted to certificated shareholders	Tuesday, 24 November
Record date for the Rights Offer for purposes of determining the Conduit Capital shareholders entitled to participate in the Rights Offer at the close of business on	Friday, 27 November
Rights Offer opens at 09:00 on	Monday, 30 November
Holders of dematerialised Conduit Capital Shares will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation on	Monday, 30 November
Holders of certificated Conduit Capital Shares will have their Letters of Allocation credited to an electronic register at the Transfer Secretaries on	Monday, 30 November
Circular distributed to dematerialised shareholders, who have elected to receive such documents	Tuesday, 1 December
Last day to trade in Letters of Allocation in order to settle trades by the Record Date for the Letters of Allocation and participate in the Rights Offer at the close of business on	Friday, 4 December
Last day for Form of Instruction to be lodged with the Transfer Secretaries by holders of certificated Conduit Capital Shares wishing to <b>sell</b> all or part of their Rights Offer Entitlement by 12:00 on	Friday, 4 December
Listing and trading of Rights Offer Shares commences on the JSE at 09:00 on	Monday, 7 December

Last day for Form of Instruction to be lodged with the Transfer Secretaries by holders of certificated Conduit Capital Shares wishing to <b>subscribe</b> for or <b>renounce</b> all or part of their Rights Offer Entitlement by 12:00 on (see note 2)	Friday, 11 December
Record date for Letters of Allocation	Friday, 11 December
Rights Offer closes at 12:00 and payment to be made by certificated shareholders on	Friday, 11 December
CSDP/broker accounts credited with Rights Offer Shares and debited with the payments due in respect of holders of dematerialised Conduit Capital Shares on	Monday, 14 December
Rights Offer Share certificates in terms of the Rights Offer posted to holders of certificated Conduit Capital Shares via registered post on or about	Monday, 14 December
Results of Rights Offer announced on SENS on	Monday, 14 December

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**Notes:**

1. Holders of dematerialised Conduit Capital Shares are required to notify their CSDP or broker of the action they wish to take in respect of the Rights Offer in the manner and by the time stipulated in the agreement governing the relationship between the dematerialised shareholder and his CSDP or broker.
2. Conduit Capital share certificates may not be dematerialised or rematerialised between Monday, 23 November 2015 and Friday, 27 November 2015, both days inclusive.
3. CSDPs effect payment in respect of holders of dematerialised Rights Offer Shares on a delivery versus payment basis.
4. To the extent that the rights are accepted, dematerialised shareholders will have their accounts at their CSDP automatically credited with their rights and certificated shareholders will have their rights credited to an account at Computershare Investor Services.
5. Rights Offer share certificates to be issued in terms of the Rights Offer will be posted to persons entitled thereto, by registered post, at the risk of the certificated shareholders concerned.

## **8. RESTRICTIONS ON THE RIGHTS OFFER**

Any shareholder resident outside the Common Monetary Area, being the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland, who receives the Rights Offer circular and accompanying form of instruction, should obtain advice as to whether any governmental and/or any other legal consent is required and/or any other formality must be observed to enable such a subscription to be made in terms of such form of instruction.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and the Rights Offer circular and accompanying form of instruction should not be forwarded or transmitted any person in any territory other than where it is lawful to make such an offer.

The Rights Offer Shares have not been and will not be registered under the Securities Act of the United States of America. Accordingly, the Rights Offer Shares may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, United States persons, except pursuant to exemptions from the Securities Act. The Rights Offer circular and the accompanying documents are not being, and must not be, mailed or otherwise distributed or sent in, into or from the United States. The Rights Offer circular does not constitute an offer of any securities for sale in the United States or to United States persons.

The Rights Offer contained in the Rights Offer circular does not constitute an offer in the District of Columbia, the United States, the Dominion of Canada, the Commonwealth of Australia, Japan or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer ("**Non-qualifying shareholder**"). Non-qualifying shareholders should consult their professional advisers to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Offer, or to trade their entitlement. To the extent that Non-qualifying shareholders are not entitled to participate in the Rights Offer, such Non-

qualifying shareholders should not take up their Rights Offer entitlement or trade in their Rights Offer entitlement and should allow their rights in terms of the Rights Offer to lapse.

## 9. ANTICIPATED DIRECTORS DEALINGS IN TERMS OF RIGHTS OFFER SHARES

Of the 44 589 257 Shares (which, in applying the Ratio, equates to 13 043 906 rights) held by Directors (and their associates) as at 9 October 2015, being the date of this announcement, 65.20% in respect thereof, have indicated an intention to follow their rights, while 9.33% in respect thereof have indicated an intention to sell their rights in terms of the Rights Offer as follows:

Director	Rights to be followed	Rights to be sold
S M Riskowitz's associates	7 919 261	-
L E Louw	325 000	786 632
R L Shaw	50 000	101 149
G Toet	210 000	328 625
<b>Total</b>	<b>8 504 261</b>	<b>1 216 406</b>

## 10. FURTHER ANNOUNCEMENT AND CIRCULAR

The Rights Offer Finalisation announcement is expected to be released on SENS on or about 17 November 2015.

The Rights Offer circular, and accompanying Form of Instruction for use by certificated shareholders only, containing full particulars of the Rights Offer will be posted to shareholders on or about 24 November 2015.

The Rights Offer circular containing full particulars of the Rights Offer will be distributed to dematerialised shareholders who have elected to receive documents on or about 1 December 2015.

Johannesburg  
9 October 2015

### Sponsor

Merchantec Capital

### Forward Looking Statement:

This announcement contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates and projections about the industry in which Conduit Capital operates, and beliefs and assumptions regarding the Company's future performance. Words such as "anticipates", "expected", "intends", "plans", "believes", "seeks", "estimated", "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of the Company, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Conduit Capital cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Conduit Capital only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. Conduit Capital will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.