

DALE CAPITAL GROUP LIMITED

("Dale Capital" or the "company")

(Incorporated by way of continuation in the British Virgin Islands)

(Registration number: B.V.I No: 1443428)

SEM Code: DCPL.N0000

ISIN: MU0227N00002



UPDATE REGARDING ISSUE OF CONVERTIBLE DEBENTURES

Shareholders are referred to the announcement released by the company on 13 February 2017 whereby it was announced that Dale Capital had secured funding of USD 2,750,000 to be invested into the African Gold Mining Sector and the Food and Food Security Sector.

The company now wishes to inform its shareholders that a further funding of USD 750,000 has been secured from investors, which will be invested into the African Gold Mining Sector.

As announced on 13 February 2017, the company intends to issue convertible debentures to those investors as consideration for the amount raised. Two types of convertible debentures will be issued by Dale Capital to investors, one with an option to convert the debentures within two years into new listed Dale Capital ordinary shares and the other with an option to convert the debentures within three years into new listed Dale Capital ordinary shares. In both cases, the issue of the new Dale Capital ordinary shares will be at the 30 day moving average price per share less 10% discount.

Should all the investors decide to exercise their option to convert the debentures into listed shares in the foreseeable future and assuming an issue price per share of MUR 2.25 (approximate figure following application of discount), the company will need to issue approximately 55 million new ordinary shares for which approval for listing from the SEM will be sought and the company's total number of shares in issue will increase to approximately 111 million shares. This new share issue therefore represents a dilution of approximately 50% on the existing shareholders percentage holding in the Company.

The issue of convertible debentures by Dale Capital is subject to the company obtaining the requisite approvals from its shareholders. In the event that the investors want to exercise their option to convert the debentures into listed Dale Capital ordinary shares, the issue and listing of those new ordinary shares will be subject to receipt of prior approval from the Stock Exchange of Mauritius Ltd.

As disclosed in its Listing Particulars dated 14 July 2016, the company will seek investors who are prepared to provide the required level of funding to pursue investments predominantly in the following sectors:-



- Renewable energy;
- African Infrastructure;
- Agriculture, aquaculture and food security;
- Property development;
- Mining and resources;
- Information technology;
- Aviation;
- Financial Services; and
- Tourism, Hotels and Leisure.

The above proposed investments by Dale Capital into the African Gold Mining Sector and the Food and Food Security Sector are therefore in line with its investment strategy as disclosed in its Listing Particulars and are in the ordinary course of its business. The company's investments in these sectors may take various forms, including through convertible bonds, direct equity & loan notes and are aligned with its expected returns on its portfolio of all its investments taken together.

This announcement is not an invitation to the public to subscribe for shares in the company and is provided for information purposes only.

By order of the Board

20 March 2017

SEM authorised representative and sponsor	Mauritian Company Secretary
	

This notice is issued pursuant to SEM Listing Rule 15.24 and the Mauritian Securities Act 2005. The board of directors of Dale Capital accepts full responsibility for the accuracy of the information contained in this announcement.