METAGE CAPITAL

GLOBAL VALUE FUND

Global Value Fund Limited

ACN 168 653 521

Replacement Prospectus

Offer of up to 100,000,000 Shares at an Application Price of $1.00 per Share to raise up to $100,000,000 together with an entitlement to 1 Option to acquire 1 Share per Share subscribed for, exercisable at $1.00 per Option on or before 17 March 2016.

TAYLOR COLLISON

Lead Manager

Important Information. This Replacement Prospectus contains important information for you as a shareholder or prospective investor and requires your immediate attention. It should be read in its entirety. If you have any questions as to its contents or the course you should follow, please consult your stockbroker, accountant, solicitor or other professional adviser immediately.

Important Notices

This replacement prospectus (**Prospectus**) is dated 29 May 2014 and was lodged with the Australian Securities & Investments Commission (**ASIC**) on that date. It replaces the prospectus dated 16 May 2014. It is issued by the Global Value Fund Limited (ACN 168 653 521) (the **Company**) and is an invitation to apply for up to 100,000,000 Shares at an Application Price of $1.00 per Share to raise up to $100,000,000, together with an entitlement to 1 Option for every 1 Share subscribed for, with each Option exercisable at $1.00 on or before 17 March 2016.

None of ASIC, ASX or their respective officers take responsibility for the contents of this Prospectus.

This document is important and requires your immediate attention. It should be read in its entirety. You may wish to consult your professional adviser about its contents.

No Securities (other than Shares to be issued on the exercise of Options) will be issued on the basis of this Prospectus later than the expiry date of this Prospectus, being the date 13 months after the date of this Prospectus.

ASX Listing

The Company has applied for admission to the official list of ASX and for the Securities to be quoted on ASX.

The fact that ASX may admit the Company to the official list and quote the Securities is not to be taken in any way as an indication of the merits of the Company. Neither the ASX nor its officers take any responsibility for the contents of this Prospectus. If granted admission to the ASX, quotation will commence as soon as practicable after holding statements are dispatched.

The Company does not intend to issue any Securities unless and until the Securities have been granted permission to be quoted on the ASX on terms acceptable to the Company. If permission is not granted for the Securities to be quoted before the end of 3 months after the date of this Prospectus or such longer period permitted by the Corporations Act or with the consent of ASIC, all Application Monies received under the Prospectus will be refunded without interest to Applicants in full within the time prescribed by the Corporations Act.

Intermediary Authorisation

The Company does not hold an Australian Financial Services Licence (**AFSL**) under the Corporations Act. Accordingly, offers under this Prospectus will be made under an arrangement between the Company and holders of an AFSL (**AFSL Holders**) under Section 911A(2)(b) of the Corporations Act. The Company will only authorise AFSL Holders to make offers to people to arrange for the issue of Shares by the Company under the Prospectus and the Company will only issue Shares in accordance with such offers if they are accepted.

Taylor Collison Limited ACN 008 172 450 (Australian Financial Services Number 247083) (the **Lead Manager**) will deposit and deal with the application monies under this Prospectus. The Company will forward all Application Forms that do not bear a dealer's stamp and associated Application Prices to the Lead Manager.

The Lead Manager's function should not be considered as an endorsement of the Offer or a recommendation of the suitability of the Offer for any investor. The Lead Manager does not guarantee the success or performance of the Company or the returns (if any) to be received by Shareholders. Neither the Lead Manager nor any other AFSL Holder is responsible for or caused the issue of this Prospectus.

The Application Price payable by Applicants is $1.00 per Share and attached Option, which comprises the amount payable to the Company and any Service Fee (payable to the Applicant's AFSL Holder). See Section 2.5 for further details.

Investment Decision

Applicants should read this Prospectus in its entirety before deciding to apply for Securities. This Prospectus does not take into account your individual investment objectives, financial situation or any of your particular needs. You should seek independent legal, financial and taxation advice before making a decision whether to invest in the Company.

An investment in this Company carries risks. An outline of some of the risks that apply to an investment in the Company is set out in Section 6. Applicants are urged to consider this Section of the Prospectus carefully before deciding to apply for Securities.

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained or taken to be contained may not be relied on as having been authorised by the Company in connection with the Offer.

Forward Looking Statements

This Prospectus contains forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. These forward looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward looking statements. While the Company believes that the expectations reflected in the forward looking statements in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors set out in Section 6, as well as other matters as yet not known to the Company or not currently considered material by the Company, may cause actual results or events to be materially different from those expressed, implied or projected in any forward looking statements. Any forward looking statement contained in this Prospectus is qualified by this cautionary statement.

Prospectus

An electronic version of this Prospectus (the **Electronic Prospectus**) can be downloaded from www.globalvaluefund.com.au. The Offer or invitation to which the Electronic Prospectus relates is only available to persons receiving the Electronic Prospectus in Australia.

The Company will also send a copy of the paper Prospectus and paper Application Form free of charge if the person asks during the application period. The Company will also send a copy of the paper Prospectus and paper WAM Priority Allocation Offer Application Form to WAM Eligible Participants if requested during the application period.

If you download the Electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by a copy of the applicable Application Form. The Securities to which the Electronic Prospectus relates will only be issued on receipt of a printed copy of the electronic Application Form together with a printed copy of the Prospectus. The Application Form may be generated by software accessible by the same means as the Prospectus.

How to Apply

You can only make an Application for Securities under the Offer by completing and lodging the applicable Application Form attached at the back of this Prospectus, or by completing them online. You can find detailed instructions on completing the Application Forms (including online application details) on the back of the Application Form.

Applications must be for a minimum of 2,000 Shares at an Application Price of $1.00 per Share (i.e. for a minimum Application Price of $2,000) and 2,000 Options. A larger number of Shares and Options may be applied for in multiples of 100 Shares and Options.

Application Form

Applications and Application Monies for Securities under the Offer received after 5:00 p.m. (Sydney time) on the Closing Date will not be accepted and will be returned to potential investors.

Applications must be accompanied by payment in Australian currency.

Cheques in respect of Applications should be made payable to the "Global Value Fund Limited" and crossed "Not Negotiable".

No stamp duty is payable by Applicants.

Completed Application Forms, together with Application Monies, should be forwarded to the following address:

POSTAL
Global Value Fund Limited Offer
c/- Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

HAND DELIVERED
Global Value Fund Limited Offer
Boardroom Pty Limited
Level 7, 207 Kent Street
Sydney NSW 2000

When to Apply

Completed Applications under the Offer must be received by 5:00 pm (Sydney time) on the Closing Date. The Directors may close the Offer at any time without prior notice or extend the period of the Offer in accordance with the Corporations Act.

The Board has set aside 40 million Shares and attached Options for WAM Eligible Participants. See Section 2.1 for details. The Directors reserve the right to allocate any lesser number of Shares than those for which the Applicant has applied. Where the number of Shares allotted is fewer than the number applied for, surplus Application Monies will be refunded without interest.

Glossary of Terms

Defined terms and abbreviations included in the text of this Prospectus are set out in the Glossary in Section 12.

Highlights of the Offer

Important Dates

Lodgement of Prospectus with ASIC	29 May 2014
Expected expiry of exposure period	2 June 2014
Offer opens	10.00am 2 June 2014
Offer closes	5.00pm 4 July 2014
Expected final allotment of Shares and Options	11 July 2014
Expected final despatch of holding statements	14 July 2014

The above dates are subject to change and are indicative only and times are references to Sydney time. The Company reserves the right to amend this indicative timetable subject to the Corporations Act and the ASX Listing Rules.

Key Offer Statistics

Company	Global Value Fund Limited ACN 168 653 521
Proposed ASX codes	Shares GVF Options GVFO
Securities offered	Shares at an Application Price of $1.00 with 1 Option for every 1 Share subscribed
Minimum number of Shares available under the Offer	16,000,000
Maximum from number of Shares available under Securities available under the Offer	100,000,000
Number of Securities available under the WAM Priority Allocation Offer	40,000,000 Shares 40,000,000 Options
Application Price per Share (inclusive of Service Fee)	$1.00
Exercise Price per Option	$1.00
Pro forma net asset value backing per Share if the minimum subscription amount is raised (based on unaudited pro forma statement of financial position as set out in Section 7.2).	$0.979
Pro forma net asset value backing per Share if the maximum subscription amount is raised (based on unaudited pro forma statement of financial position set out in Section 7.2).	$0.979

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Global Value Fund Limited
ACN 168 653 521

29 May 2014

Dear Investor,

On behalf of the Board of Directors, it is my pleasure to invite you to become a Shareholder in Global Value Fund Limited.

The Company has been established to enable Australian investors to benefit from investing in a diversified, international portfolio of financial assets trading at a discount to their underlying value. The Manager of the Company specialises in buying such assets and in employing proprietary strategies designed to capture the discount presented by its investments. The Manager aims to provide Shareholders with substantial returns over the medium-to-long term, but with a risk profile lower than that of investing in a comparable portfolio of global equities. The Board believes that it is important for Shareholders to benefit directly from the performance of the Company and so intends, once the Company is fully established, to pay a regular fully-franked dividend[1].

The Company is seeking to issue a minimum of 16 million Shares and a maximum of 100 million Shares under the Offer (together with an entitlement to an Option on a one-for-one basis exercisable at $1.00 before 17 March 2016). The Shares and the Options will be listed on the Australian Securities Exchange (**ASX**).

Why is this offering attractive?

The Company's strategy is to identify securities trading at a discount to their tangible asset value. A skilled investment manager, such as the Manager, is often able to capture some or all of this value differential for its investors and in doing so can provide a valuable source of market outperformance compared to more common stock selection strategies.

In pursuing this strategy the main asset class that the Company will invest in will be closed-end funds (**CEFs**). These are listed investment vehicles which, as a result of changes in investor sentiment and demand, often trade at a discount to their stated net asset values. These discounts represent an exciting opportunity set, which the Manager has specialised in exploiting since 1998 for a variety of professional clients, using a combination of active and passive strategies. See Section 3.4 for details.

The Australian economy, its equity markets and its dollar have performed strongly in recent years, in large part owing to the growth of China and its appetite for commodities, for which Australia has been a key supplier. The movement from an export-driven economic model to one focussed on encouraging domestic consumption may slow the growth of fixed investment and China's demand for commodities. In this environment, a continuation of the current performance of Australian assets is uncertain and it would be prudent for investors to consider whether they should include a greater allocation to global assets in their portfolios in order to diversify their sources of both risk and return.

I encourage you to read the entire Prospectus carefully before making your investment decision. It sets out detailed information about the Company, its strategy and the risks (set out in Section 6) and benefits relating to the offer of Shares and Options.

I look forward to welcoming you as a shareholder of the Company.

Yours sincerely,
Jonathan Trollip, Chairman

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[1] This is not intended to be a forecast or guarantee of dividend payments, it is merely an indication of the Company's objective. The Company may not be successful in meeting its objective. Returns are not guaranteed.

1. Offer Summary

This is a summary only. This Prospectus should be read in full before making any decision to apply for Shares.

Investing in the Company

A. Key investment highlights		
Question	**Answer**	**More Information**
What are the benefits of the Offer?	This Offer aims to provide investors with: ➢ exposure to an actively managed portfolio of global securities; ➢ an investment in assets trading at attractive discounts to their underlying value; ➢ access to a specialist investment manager with global expertise; and ➢ an income stream in the form of regular and growing dividend payments, franked to the fullest extent possible.	Section 4
What is the business model of the Company?	Global Value Fund Limited (the **Company**) will be an ASX listed investment company investing predominately in listed international securities. The Company's Portfolio will be managed by Metage Capital Limited (the **Manager**), a financial services provider authorised and regulated by the Financial Conduct Authority of the United Kingdom. The Manager's investment strategy is to purchase closed-end funds (**CEFs**) and other securities which are trading at attractive discounts to their underlying value and then use its experience in extracting value through trading and corporate activism. This is called a discount capture strategy. The Company's core investment focus will be CEFs, however the Manager is permitted by its investment management agreement with the Company to acquire interests in a broad range of investments including other global listed securities, cash, and derivative contracts (see Section 10.1). The Company may also use short selling to manage risk (see Sections 4.11 and 6.3 for details). The Company's objective is to target substantial returns over the medium-to-long term, while aiming to deliver a significantly lower risk profile than an investment in international equity markets. The Company does not seek to replicate an index portfolio.	Sections 4 and 6.3
Will the Company pay dividends?	The Company intends to pay dividends out of available profits and franking credits. Dividends will be paid at the end of the Company's first full financial year subject to available profits and cash flow and after that semi-annually. The Company intends to implement a dividend reinvestment plan. See Section 11.5 for details.	Section 4.7
What are the key risks associated with the business model and the Offer?	The key risks of an investment in the Company are highlighted below. Investors should bear these in mind when considering whether to participate in the Offer: ➢ *Reliance on Manager* - the success and profitability of the Company depends primarily upon the ability of the Manager to invest in undervalued assets and to exit these investments at a higher value. This strategy relies on the Manager's ability to realise the value from mispriced securities through its discount capture strategy (see Section 3.2 for detail). There is no guarantee that this can be achieved. The value of the assets selected for the Portfolio may decline, which would be likely to	Investors should read these risks together with the other risks described in Section 6

	have an adverse impact on the value of the Shares and the Options. ➢ *Economic risk* - the future earnings of the Company and the value of its investments may be affected by the general global economic climate, equity market prices, currency movements, changes to government policy and other factors beyond the control of the Company. As a result, no guarantee can be given in respect of the financial performance of the Company's investments. ➢ *Leverage risk* - the Company may use leverage to increase the size of its investment portfolio by up to 15% of the Company's net asset value. Borrowing has the ability to increase returns, but it can also magnify losses for the Portfolio (refer Sections 4.6 and 6.3 for details). ➢ *Hedging risk* - the Company may also hedge market and foreign exchange exposures up to an aggregate notional value of 30% of the Company's net asset value. The Company will seek to use hedging to reduce risks in the Portfolio rather than magnify investment returns. However this may result in the Company not benefiting from any strong positive movements in equity markets or currencies to the same extent that an unhedged portfolio would benefit. ➢ *Short selling risk* - the Company may short sell securities as part of its risk management techniques. While short selling can introduce a hedge to the performance of other assets in the Portfolio, there are inherent risks associated with short selling. Short selling involves leverage of the Company's assets and can result in an obligation to repurchase stock at an inopportune time and/or at an undesirable price.	
B. Key Information about the Company		
Question	**Answer**	**More Information**
Who is the issuer of the Shares and this Prospectus?	The issuer is the Global Value Fund Limited (ACN 168 653 521).	Section 4
What is the financial position of the Company?	The Company has no performance history available as it is yet to commence trading. Unaudited pro-forma balance sheets are set out in Section 7.2.	
Will the portfolio be leveraged?	The Company may borrow funds for investment up to a maximum value of 15% of its net asset value. The Company will only use short selling and hedging to manage foreign exchange risk and market risk. Short selling and hedging may also have the effect of magnifying gains and losses in a similar manner to leverage.	Section 4 Section 6
Who are the Company's directors?	As at the date of this Prospectus, the Directors of the Company are: ➢ Jonathan Trollip, Chairman and Non-Executive Director ➢ Chris Cuffe, Non-Executive Director ➢ Geoff Wilson, Non-Executive Director ➢ Miles Staude, Non-Executive Director See Section 9.1 for further details regarding the background of the Directors.	Section 9

Who will manage the investments?	The Manager is Metage Capital Limited, a London-based investment manager authorised and regulated by the United Kingdom's Financial Conduct Authority.	Section 5
Will any related party have a significant interest in the Company or the Offer?	Jonathan Trollip, Chairman, will apply for 200,000 Shares and their attached Options through entities associated with him. Chris Cuffe, Non-Executive Director, will apply for 100,000 Shares and their attached Options through entities associated with him. Geoff Wilson, Non-Executive Director, either directly or through entities associated with him will apply for 1,000,000 Shares. Metage Capital Limited, the Manager, either directly or through entities associated with it will apply for 1,000,000 Shares. Miles Staude, a Non-Executive Director of the Company is also an employee of the Manager and has elected not to receive a fee for his role as a Director of the Company. All other Directors will be remunerated for their services. The Manager has assigned a right, title and interest to receive 25% of all management and performance fees payable under the Management Agreement to Boutique Investment Management Pty. Limited, an entity associated with Geoff Wilson from the date the Company's net asset value exceeds $20,000,000. See Section 10.4 for details.	Section 9.4
What are the key terms of the Management Agreement?	The Management Agreement appoints the Manager for an initial term of 5 years, which will be automatically renewed for a further term of 5 years if not previously terminated. The Manager will be responsible for providing financial services under the Management Agreement and managing the Portfolio in accordance with the strategy set out in Section 4.	Section 10.1
What fees will the Manager receive?	The Company will pay the Manager a management fee of 0.125% per month (plus GST) (representing an annualised fee of 1.5% per annum) of the net asset value of the Portfolio, calculated monthly and payable monthly in arrears. In addition, for delivering good performance, where the Adjusted Gross Asset Value has increased over any financial year above what the Net Asset Value would have been if the Net Asset Value had accrued at the hurdle rate, the Company will pay the Manager a performance fee of 15% (plus GST) of this outperformance. The hurdle rate is four percentage points above the mid-price of the Australian Financial Markets Association 1 year Interest Rate Swap Reference Rate (**Hurdle Rate**). As at the date of this Prospectus the Hurdle Rate would be 6.695%. Once a performance fee is paid, no further performance fee is payable until the value of the Portfolio increases above its value at the time the last performance fee was paid. See Section 10.1 for more details.	Section 10.1

C. About The Offer

Question	**Answer**	**More Information**
What is the Offer?	The Company is offering for subscription up to 100,000,000 fully paid Shares at an Application Price of $1.00 per Share, with 1 attached Option for every 1 Share subscribed, to raise up to $100,000,000. Of the 100,000,000 Shares and their attached Options available under the Offer, 40,000,000 Shares and their attached Options are available to WAM Eligible Participants under the WAM Priority Allocation Offer.	Section 2.1

How do I apply for Shares?	The procedures for making an investment in the Company are described in Section 2.3. The Lead Manager may be required to obtain identification information from Applicants. The Company reserves the right to reject an Application if this information is not provided upon request.	Section 2.3
What are the fees and costs of the Offer?	The costs of the Offer include legal, accounting, marketing and other costs associated with the preparation of the Prospectus and the issue of the Shares. These costs are estimated to be $243,866 assuming the Minimum Subscription and $335,329 for the Maximum Subscription.	Section 7.6
Is the Offer underwritten?	No.	
Who is the Lead Manager to the Offer?	Taylor Collison Limited will be acting as the Lead Manager to the Offer.	Section 10.5
What is the purpose of the Offer?	The money raised under the Offer will be used by the Company for investments consistent with the Company's investment objectives and strategy (refer Sections 4.2 and 4.3 for details) and paying the costs of the Offer, including obtaining a listing on ASX.	Section 4
Who can participate in the Offer?	Members of the general public who have a registered address in Australia. WAM Eligible Participants with a registered address in Australia can apply under the WAM Priority Allocation Offer.	Section 2.7
Can superannuation funds invest?	Yes, subject to the investment mandate of the particular fund and the trustee's general powers and duties.	
Who is able to participate in the WAM Priority Allocation Offer?	The WAM Priority Allocation Offer is open to shareholders of one or more of WAM Capital Limited, WAM Research Limited and WAM Active Limited with a registered address in Australia as at the date of this Prospectus. The maximum allocation under the WAM Priority Allocation Offer is $40,000,000.	Section 2.1
How does a WAM Eligible Participant participate in the WAM Priority Allocation offer?	Eligible Shareholders and WAM Eligible Participants should refer to Section 2.1 and Section 2.3 for details of how to participate in the proprietary offer.	Section 2.3
Is there a minimum subscription?	Yes, each Applicant must subscribe for a minimum of 2,000 Shares at the Application Price of $1.00 per Share i.e. $2,000. The total amount payable for the Shares under the Offer will be rounded up to the nearest whole cent. The aggregate minimum for Applications required to be received for the Offer to proceed is 16,000,000 Shares.	Section 2.2
Is there a cooling off period?	No.	
How can I obtain further information?	See www.globalvaluefund.com.au for further information. Alternately, you can contact Miles Staude on 0423 428 972 or email enquiries to miles.staude@globalvaluefund.com.au, the Registrar on 1300 737 760 or email enquiries to enquiries@boardroomlimited.com.au or Geoff Wilson on 9247 6755 or by email to info@wamfunds.com.au if you have questions relating to the Offer.	

	If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.	

The above table is a summary only. This Prospectus should be read in full before making any decisions to apply for Shares.

2. Details of the Offer

This is a summary only. This Prospectus should be read in full before making any decision to apply for Shares.

2.1. The Offer

The Company is offering for subscription up to 100,000,000 fully paid ordinary Shares at an Application Price of $1.00 per Share to raise up to $100,000,000, together with an entitlement to 1 Option to acquire 1 Share (**Option**) per fully paid ordinary Share subscribed for, exercisable at $1.00 per Option on or before 17 March 2016.

To participate in the Offer, your Application Form must be received by the Registrar by 5:00pm Sydney time on the Closing Date.

The Offer will only be made to investors who have a registered address in Australia.

Early lodgement of your Application is recommended as the Directors may close the Offer at any time after the expiry of the exposure period without prior notice. The Directors may extend the offer in accordance with the Corporations Act.

WAM Priority Allocation Offer

Up to 40,000,000 Shares and their attached Options have been set aside for the WAM Priority Allocation Offer. The WAM Priority Allocation Offer is restricted to shareholders of one or more of WAM Capital Limited (ACN 086 587 395), WAM Research Limited (ACN 100 504 541) and WAM Active Limited (ACN 126 420 719) with a registered address in Australia as at the date of this Prospectus (**WAM Eligible Participants**) on a “first-come-first-served” basis.

The WAM Priority Allocation Offer should not be considered as an endorsement of the Offer or a recommendation of the suitability of the Offer by any of WAM Capital Limited, WAM Research Limited and WAM Active Limited.

WAM Eligible Participants should use the WAM Priority Allocation Offer Form.

If the Company receives Applications from WAM Eligible Participants for more than 40,000,000 Shares and attached Options, it intends to treat such additional Applications as being made under the general Offer on a General Offer Application Form.

2.2. Minimum Subscription

While the minimum subscription amount payable by an Applicant under the Offer is $2,000, there is an aggregate minimum subscription required of Applications for 16,000,000 Shares for the Offer to proceed.

2.3. Applications

Application Forms

Applications under the Offer must be made and will only be accepted on the Application Form issued with and attached to this Prospectus applicable to you or online in accordance with the instructions on the Application Form. The Application Form marked “WAM Priority Allocation Offer” must be completed by WAM Eligible Participants. The Application Form marked “General Offer” must be completed by Applicants that are not WAM Eligible Participants.

The Application Price for Shares issued by the Company under the Offer will be $1.00 per Share.

Applications under the Offer must be for a minimum of 2,000 Shares (and attached Options) at the Application Price of $1.00 per Share i.e. $2,000. The total amount payable for the Shares under the Offer will be rounded up to the nearest whole cent.

Applications and Application Monies for Shares under the Offer received after 5:00 p.m. (Sydney time) on the Closing Date will not be accepted and will be returned to potential investors. The Directors may extend the Closing Date. Applications must be accompanied by payment in Australian currency.

Cheques in respect of Applications should be made payable to the "Global Value Fund Limited Offer" and crossed "Not Negotiable".

No stamp duty is payable by Applicants.

Completed Application Forms, together with Application Monies, should be forwarded to the following address:

POSTAL	**HAND DELIVERED**
Global Value Fund Limited Offer	Global Value Fund Limited Offer
c/- Boardroom Pty Limited	c/- Boardroom Pty Limited
GPO Box 3993	Level 7, 207 Kent Street
SYDNEY 2001	Sydney NSW 2000

A binding contract to issue the Shares will only be formed at the time the Shares are allotted to Applicants.

Application Forms will be accepted at any time after the Opening Date and prior to the Closing Date.

2.4. Licensed Dealers

Offers under this Prospectus will be made under an arrangement between the Company and AFSL Holders under Section 911A(2)(b) of the Corporations Act. The Company will only authorise AFSL Holders to make offers to people to arrange for the issue of Shares by the Company under the Prospectus and the Company will only issue Shares in accordance with Applications made under such offers if they are accepted. The Company has entered into such an agreement with the Lead Manager, who holds an appropriate Australian financial services licence (**AFSL**).

2.5. Service Fee

Both Retail Applicants and Institutional Applicants under the Offer will be required to pay an Application Price of $1.00 per Share. Unless a Retail Applicant does not provide its consent to payment of the Service Fee, this will comprise $0.9725 (payable to the Company) and a $0.0275 Service Fee (payable to their AFSL Holder). The Service Fee will be 2.75 cents (inclusive of GST) per Share.

This Service Fee is a one-off fee payable to the Applicant's AFSL Holder in respect of the services provided by their AFSL Holder (including any specified adviser or individual broker) in introducing the Applicant to the Offer, giving advice in respect of the Offer and dealing in respect of the Offer.

If Retail Applicants do not provide a consent for the Service Fee to be paid to their AFSL Holder, then they will not be required to pay the Service Fee, but will still pay an Application Price of $1.00 per Share.

Applicants under the Offer will pay their Subscription Price and their Service Fee at the same time. The Company's Share Registrar will collect the Service Fee on behalf of AFSL Holders and hold the Service Fee together with the Subscription Price on trust in relation to the Offer until the Allotment Date.

On the Allotment Date, the Service Fee component of the Application Price will remain held on trust, while the Subscription Price will be paid to the Company. After allotment, the Service Fee component of the Application Price will be paid to the AFSL Holders.

Retail Applicants under the General Offer may consent to and authorise the payment of the Service Fee to the AFSL Holder providing services to them in respect of the Offer.

Retail Applicants can do this either by providing a Consent Letter to their AFSL Holder, or by noting their consent and authorisation of the payment of the Service Fee on the General Offer Application Form.

If Retail Applicants do not provide a Consent Letter or, when completing their General Offer Application Form do not indicate their consent to the payment of this Service Fee, then they will not be required to pay the Service Fee. Retail Applicants who do not consent (by Consent Letter or by so indicating on the General Offer Application Form) will still pay an Application Amount of $1.00 per Share.

The Company may ask an AFSL Holder to provide satisfactory evidence that Retail Applicants have consented to payment of Service Fees before releasing any Service Fees to that AFSL Holder with respect to Retail Applicants.

For Institutional Applicants under the Offer, by signing and delivering their completed Application Form to their AFSL Holder, they are deemed to have consented to and authorise both their Service Fee being held on trust following the Allotment Date and the subsequent on-payment of the Service Fee to their AFSL Holder.

2.6. Allotment

The Company will not allot Shares and Options until the minimum subscription has been received and ASX has granted permission for quotation of the Shares and Options unconditionally or on terms acceptable to the Company.

It is expected that the issue of Shares and Options under the Offer will take place by 11 July 2014. Application Monies will be held in a separate account until allotment. This account will be established and kept by the Company on behalf of the Applicant. The Company may retain any interest earned on the Application Monies held on trust pending the issue of Shares to the successful Applicants.

The Application constitutes an offer by the Applicant to subscribe for Shares on the terms and subject to the conditions set out in this Prospectus.

The Board reserves the right to accept, reject or scale back any Application, in its absolute discretion.

Where the number of Shares allotted is fewer than the number applied for, or where no allotment is made, the surplus Application Monies will be returned to Applicants (without interest) by cheque within 7 days of the Closing Date.

It is the responsibility of each Applicant to confirm their holding before trading in Securities. Applicants who sell Securities before they receive an initial statement of holding do so at their own risk. The Company, Registrar and Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Securities before receiving their initial statement of holding, whether on the basis of a confirmation of allocation provided by any of them, by an AFSL Holder or otherwise.

2.7. Overseas Investors

The Offer (including the WAM Priority Allocation Offer) is an offer to Australian investors. The Offer does not constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer.

2.8. Privacy

When you apply to invest in the Company, you acknowledge and agree that:

(a) you are required to provide the Company with certain personal information to:

  (i) facilitate the assessment of an Application;

  (ii) enable the Company to assess the needs of Applicants and provide appropriate facilities and services for Applicants; and

(iii) carry out appropriate administration;

(b) the Company may be required to disclose this information to:

(i) third parties who carry out functions on behalf of the Company, including marketing and administration functions, on a confidential basis; and

(ii) third parties if that disclosure is required by law; and

(iii) related bodies corporate (as that term is defined in the Corporations Act) which carry out functions on behalf of the Company.

Under the Privacy Act 1988 (Cth), Applicants may request access to their personal information held by (or on behalf of) the Company. Applicants may request access to personal information by telephoning or writing to the Manager.

2.9. Anti-Money Laundering / Counter-Terrorism Financing Act 2006

The Company, Manager or Lead Manager may be required under the Anti-Money Laundering/ Counter-Terrorism Financing Act 2006 (Cth) or any other law to obtain identification information from Applicants. The Company reserves the right to reject any Application from an Applicant who fails to provide identification information upon request.

3. Overview of the Company's Investment Strategy

3.1. The case for international investment

Investing offshore provides access to a considerably larger universe of investment opportunities than those available within Australia. All else being equal, the diversification that investing internationally provides should lower the risk profile of an Australian investor's portfolio. Accordingly, international investments can be an important part of a well-balanced investment strategy for the medium-to-long term.

However many Australian investors do not take advantage of the benefits of international investment. Self-managed superannuation funds today have less than 1% of their assets invested offshore and 93% of the money invested in ASX-listed funds has a domestic mandate.

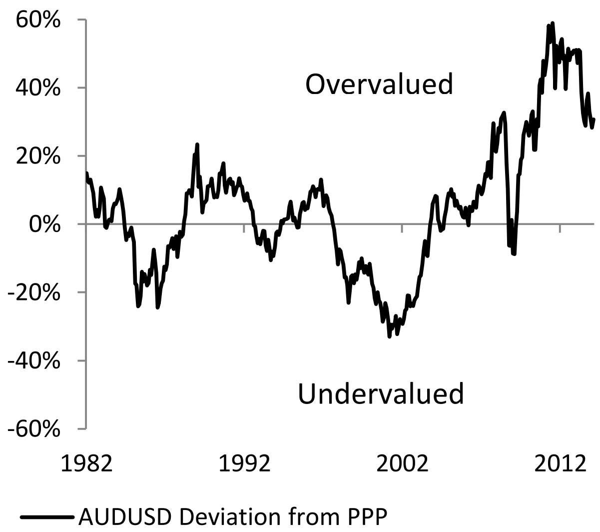
The ASX All Ordinaries Index has delivered a total return of 35% over the past two years. The Australian equity market is at an 11% premium to its five year average forward price-to-earnings ratio. Furthermore the Australian stock market is trading a premium relative to the world equity markets as illustrated in Figure 1.

Figure 1 – Comparison of the MSCI Australian and MSCI World indices on a twelve month trailing price to earnings ratio basis

Source: Bloomberg, Metage Capital Limited.
Bloomberg has not provided consent to the inclusion of trading and index data attributed to it in this Prospectus.

In the Manager's opinion, Australian equity valuations appear stretched, however an attractive universe of assets remains available offshore. The returns from offshore assets would also be enhanced by any decrease in the Australian dollar. The Australian dollar remains considerably above its estimates of purchasing power parity according to the OECD. This is illustrated in Figure 2.

Figure 2 – OECD A$/US$ forecast of purchasing power parity



Source: Bloomberg, Metage Capital Limited

Glenn Stevens, the Governor of the Reserve Bank of Australia, recently stated that an Australian dollar above US$0.90 was unlikely to be sustainable for the economy over the long run. Given these structural dynamics, the Manager believes it is currently a good time to consider investing internationally as a part of a balanced investment strategy.

3.2. What is a discount capture strategy?

A discount is where a security trades at a price that is below the value for which its underlying assets could be sold individually. A skilled investment manager is able to capture some or all of this value differential for its investors and in doing so can provide an alternative source of market outperformance compared to common stock selection strategies.

3.3. Closed-end funds

CEFs are collective investment vehicles that have a fixed number of securities that are traded between investors, often on a stock exchange. This feature means that it is common for CEFs to trade above or below the realisable value of their portfolio, based on investor demand for their shares. The Australian equivalent of a CEF is a listed investment company or listed investment trust.

CEFs publish a net asset value which identifies the value of their underlying portfolio. Listed CEFs normally also produce a transparent list of their portfolio holdings. This enables the Manager to independently assess whether the published net asset value is realisable and realistic.

CEFs are a major international asset class and the Manager believes that the market capitalisation of the investable universe of these securities is in excess of US$500 billion. The scale of this universe presents a wide range of securities in which to invest, many of which trade at attractive discounts relative to their underlying value. These discounts can be volatile over time and this volatility can provide further investment opportunities.

As an asset class, CEFs provide access to a wide range of global financial markets and underlying assets. Discount capture techniques within a CEF portfolio provide investors with the dual benefit of an investment in a diversified portfolio of international markets, as well as a potential source of market outperformance. Where a CEF has a significant portion of its portfolio in cash, this can provide downside protection for investors willing to unlock this value.

3.4. How does discount capture work?

The value presented by discounted securities can be unlocked through a variety of techniques which include trading, the use of existing catalysts and through corporate activism. The Manager views a willingness to engage proactively with boards, management teams and other shareholders as an essential element of discount capture.

The skill in running a successful discount capture strategy lies in separating the opportunities from the value-traps and recognising where there is the potential to bring about positive change. This is a specialist skill set. There is currently an opportunity for such specialists, as many conventional institutional investors are averse to the conflicts involved in addressing CEF discounts.

Activism is not always a prerequisite for capturing the underlying value presented by a discount. There are many opportunities to capture the value embedded in a security through passive techniques. These can include taking advantage of corporate actions such as tender offers, buybacks or liquidation events, as well as trading opportunities that arise in different markets from time to time. The Manager utilises a variety of proprietary systems to engage in this form of passive discount capture and enjoys strong access to stock and information flows as a result of its close relationships with intermediaries.

While the Manager is skilled in capturing value through passive techniques, activism remains a central tenet of the discount capture strategy. When required, it involves engaging with other investors to build consensus around proposals to exert pressure for change. Such activities can sometimes lead to conflict with other stakeholders. A reputationally-risk-averse manager will avoid such conflict; however it is often the key to driving an increase in shareholder value.

Changes that may unlock value for investors include amendments to a company’s capital management, alterations to its balance sheet structure, the return of capital to shareholders, changes to corporate strategy, board and management personnel, or corporate actions such as takeovers or divestitures. A corporate activist can engage directly with the board or run public relations or media campaigns to exert influence.

3.5. What are the potential disadvantages?

The success and profitability of a discount capture strategy depends primarily on the ability of the investment manager to identify and to purchase securities at a discount to their underlying value and then to successfully engage in strategies to realise this value. The key risk with such a strategy lies with poor security selection by the Manager and/or an inability to successfully execute its strategies to unlock value. If these strategies are unsuccessful, the portfolio’s assets will continue to trade at a discount. It also may be difficult for the Manager to exit its investment positions if these securities are illiquid. In such instances the portfolio may incur a loss.

See Section 5 for an outline of the experience of the Manager and Section 6 for a discussion of risk factors associated with this strategy.

4. About the Company

4.1. Overview

The Company has been established to provide investors with the opportunity to invest in global financial markets through a carefully constructed portfolio of financial assets trading at a discount to their underlying value. The Manager specialises in buying discounted assets and in employing proprietary systems and strategies designed to capture the intrinsic value of its investments. See Section 5 for information on the Manager.

This proposition gives investors the opportunity to invest in an actively managed portfolio that does not attempt to replicate standard financial indices. Rather, the Company's approach is designed to seek to provide superior risk-adjusted returns compared to more traditional forms of international equity investing.

4.2. Investment objective

The Company seeks to generate substantial returns across an investment cycle with lower realised volatility than a comparable international equity portfolio. This lower volatility profile is a function of the underlying exposures of the investments in the Portfolio, which will be a wider range of financial assets than just listed equities. The risk profile of the Portfolio will benefit from this diversification across asset classes, as well as from the lower volatility exhibited by some of the non-equity assets, such as government and corporate bonds.

In the short term, Shareholder funds will be exposed to general movements in global financial markets. However the Company expects that the application of the Manager's investment techniques will lead to superior risk-adjusted returns for Shareholders over the medium-to-long term (5 – 7 years).

The Company will seek to maximise the total return to Shareholders, incorporating capital gains and dividend income franked to the maximum extent possible. See Section 4.7 for further information regarding the Company's dividend policy.

4.3. Investment strategy

The Portfolio will primarily comprise investments in discounted CEFs, securities which the Manager believes provide an inherently attractive investment universe. See Section 3.3 for a discussion of CEFs.

The Manager may also employ similar discount capture techniques to securities other than CEFs. These may include convertible bonds, preference shares and hybrid securities that the Manager considers mispriced, investments in listed entities with significant holdings in cash, or conglomerates.

While the Company's investments will be predominantly equities or CEFs listed on major global stock exchanges, the types of financial assets underlying these securities will be considerably broader. The asset classes underlying the Portfolio's investments may include: listed equity, credit, fixed income, infrastructure, private equity, real estate and cash holdings. The Company expects that exposure to this wide underlying pool of assets will result in the Portfolio better withstanding weak equity market conditions than a pure equity portfolio would.

The Portfolio will be managed with a "long" focus, but the Manager may use short selling and derivatives to manage the Company's market and currency exposures. By way of example, where the Manager considers that the opportunities to extract value from a group of investments is high, but that these investments increase the Portfolio's exposure to a particular geographic region, asset class or currency beyond acceptable levels, the Manager may seek to reduce this risk through the use of derivatives or short selling. This form of market and currency hedging is subject to the overall Portfolio investment limitations. See Sections 4.6 and 6.3 for details.

4.4. Investment process

The Manager uncovers investment opportunities from a variety of internal and external sources. Internal sources include proprietary systems which monitor a wide range of global markets for attractive discount opportunities, with a particular focus on the CEF sector. External sources of opportunities come from broker relationships with the Manager, as well as from other CEF investors who may seek the Manager's assistance in bringing about positive change in the investee entity.

The Manager undertakes extensive qualitative and quantitative due diligence on all potential investment opportunities. It seeks to invest only in circumstances where it believes that the risk/reward characteristics presented by a discounted security are highly appealing. This involves detailed analysis of both the underlying assets to which a security is exposed and the factors causing the discount to exist. The Manager will aim to establish likely catalysts to unlock this discount prior to investing.

The Company expects that the Portfolio will be made up mainly of investments listed on developed stock exchanges; however the assets underlying these investments will be exposed to a wider range of geographies, including emerging markets. The Manager will aim to construct the Portfolio to ensure that there is a wide diversification across different global markets and currencies to mitigate country-specific risk. Individual geographic exposures will be driven by the relative attractiveness of opportunities available in a particular market or asset class. Where an attractive set of investment opportunities exists, but the Manager is concerned about the aggregate exposure of the Portfolio to a particular currency or asset type, the Company may use hedges to mitigate this risk. See Section 4.11 for the details.

4.5. Permitted investments

The Manager may invest in:

- Securities including, but not limited to, shares, units or notes which are redeemable, preferred or deferred, fully or partly paid, with or without any right, title or interest (including a right to subscribe for or convert into any such Security) irrespective of whether the Securities are listed on a stock exchange;
- Warrants and options to purchase any investment and warrants and options to sell any permitted investment;
- Derivatives including futures, forwards, warrants, options and contracts for difference;
- Cash or cash equivalents;
- Bills of exchange, promissory notes or other negotiable instruments accepted, drawn or endorsed by any bank, government or corporation;
- Debentures, unsecured notes, bonds and convertible bonds of a corporation or government;
- Units or interests in cash management trusts; and
- Any other financial products which the Manager may deal in under its licence.

See Section 10.1 for further information regarding the Management Agreement.

4.6. Investment limitations and guidelines

The following investment limitations apply to the Manager's implementation of the investment strategy:

- Once fully invested, at least 70% of the Company's net asset value will be invested in securities listed on markets included in the MSCI Developed Markets Index[2]. This restriction does not apply to any holdings which may underlie the CEFs or other assets which form the Portfolio;

[2] As at the date of this Prospectus, these countries include Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom and the United States of America.

- Once fully invested the Company expects the Portfolio will include over 40 securities;

- At investment inception there will be a maximum single position exposure of 10% of the Company's net asset value. However, the Manager will not be required to divest an investment if it increases beyond 10% of the Company's net asset value as a result of increases in the value of that position, or a reduction in the value of the rest of the Portfolio;

- The Company may utilise leverage to increase the size of its Portfolio by up to 15% of the Company's net asset value;

- Where deemed appropriate for risk management purposes, the Manager may hedge market and foreign exchange exposures up to an aggregate notional value of 30% of the Company's net asset value. Hedges may include short selling of securities when permitted by local securities laws;

- On the basis of the Manager's estimate of look-through currency exposures of the assets held in the Portfolio, the aggregate exposure to emerging market currencies will not exceed 30% of the Company's net asset value; and

- At investment inception the Manager may invest no more than 10% of the net asset value of the Company in securities that trade solely on an over-the-counter (**OTC**) basis, but are not listed on an exchange.

The Board may agree to waive any of these limitations for individual investments or to amend these limitations at the request of the Manager.

4.7. Dividend objective

The Company will pay dividends from the profit, dividend and interest income it receives from its investments to the extent permitted by law and prudent business practices. Dividends will be franked to the extent that available imputation credits permit. It is the Company's intention to distribute all franking credits over the course of an investment cycle. Dividends will be paid at the end of the Company's first full financial year and after that semi-annually.

4.8. Capital management policy

The Board will regularly review the capital structure of the Company and, where the Board considers appropriate, undertake market buybacks of its Shares. The Company may also consider other capital management alternatives, such as the issue of other securities through bonus issues, rights issues and option issues with a view to enhancing the value of securities held by investors and/or increasing the overall size and liquidity of the Company. Shareholder approval will be sought for any buybacks of Shares within 12 months of the Closing Date.

4.9. The Company's risk management philosophy and approach

The Manager will be primarily responsible for managing the risk of the Portfolio. The Manager's risk policies and controls are designed to be robust and relevant to the Company's investment objective and strategy.

The Manager applies a disciplined and consistent approach to all trading decisions. Potential investments are analysed not only in the context of their individual risk and return characteristics, but also as to how each proposed trade will impact on the risk of the entire Portfolio. Risk is viewed on a portfolio-wide basis and any hedging transactions which may be undertaken are assessed in the context of overall portfolio exposures, as opposed to those of any individual investment.

The Company's investment activities expose it to a variety of financial risks. The Manager has identified four key risk factors as being particularly significant for the Portfolio, namely equity market risk, currency risk, liquidity risk and concentration risk. See Section 6.2 for details. The Manager's risk management programme involves:

1. monitoring the Company's exposure to the relevant risk;

2. setting and applying internal controls appropriate to the different risk categories;
3. complying with explicit portfolio-level risk limits where relevant; and
4. seeking to reduce risk through the careful application of hedges where deemed appropriate and practical.

4.10. Risk measurement

The Manager examines each investment with a view to estimating its risk exposure to different geographies and asset classes (for example listed equities, currencies, fixed income or corporate bonds). For a CEF this typically involves a consideration of the assets that comprise its underlying portfolio, as well as its reporting currency and the market on which it is listed. This analysis is used to estimate the exposure of each investment to various global equity markets and currencies. Each investment is also assigned a liquidity categorisation from A (most liquid) to D (least liquid).

The Manager's main risk-management tool is a report of the overall Portfolio's exposure to each of the key risk factors. This report is produced by aggregating the exposures of each individual security held and deducting the impact of any currency or other asset hedges. The portfolio exposure report is continuously updated to reflect changes in the constitution of the Portfolio and any changes to the risk characteristics of the underlying holdings.

4.11. Risk management

The Portfolio's investment focus will be CEFs. These have underlying exposures to a wide range of asset classes, including bonds and infrastructure investments, which typically exhibit lower risk than equities. Consequently the Portfolio should naturally exhibit a lower level of risk than a similar portfolio which invests only in global equities.

The Manager will seek to ensure that the Company's underlying investments are diversified across different countries and currencies. This aims to provide some protection for the Portfolio against a downturn in the performance of any individual company, stock market or economy. The Manager expects the Portfolio, once fully invested, to comprise at least 40 securities, diversified across geographies, currencies and asset classes.

The Portfolio will be predominantly managed on a "long only" basis, however the Manager may seek to moderate excessive equity market risk through the judicious use of short selling as a hedge (see Sections 4.6 and Section 6.3). The Manager may short sell securities such as index futures, stocks or exchange-traded funds to manage equity market risk.

The Manager seeks to manage and moderate foreign exchange (**FX**) risk primarily through the selection of investments that are diversified across currencies. In line with the Company's investment objectives, the Manager expects the Portfolio to be significantly exposed to the performance of foreign currencies relative to the Australian dollar. However, where holdings give rise to FX exposures in excess of those desired, the Manager will seek to reduce these exposures through the sale of FX forwards and futures contracts with market counterparties (see Section 4.6 and 6.3 for details). In particular, the Manager intends to maintain net estimated look-through exposure to emerging market currencies of no more than an aggregate of 30% of the Company's net asset value based upon the Manager's internal portfolio exposure model.

The Manager will seek to limit Portfolio exposure to illiquid assets to a manageable proportion of the Company's net asset value. The Manager will do this by focussing on exit strategies for all investments, particularly for those with low liquidity. While illiquidity is a source of risk for the Company, it is also an opportunity for gain. As a result, the Manager does not seek to avoid illiquid assets altogether.

To ensure that the Portfolio is not over-exposed to an event risk arising from a specific underlying asset, no single investment will be allowed to exceed 10% of the Company's net asset value at time of investment. In the event that the value of a holding rises above 10% of net asset value of the Company through positive performance, or through the poor relative performance of the rest of the Portfolio, the Manager will not increase the Company's position in that investment, although it will not be required to divest.

5. About the Manager

5.1. Business of the Manager

The Company has appointed the Manager to implement its investment strategy. The Manager is a private limited company incorporated in England and Wales and based in London. The Manager is authorised and regulated by the United Kingdom's Financial Conduct Authority.

The Manager currently has assets under management of approximately $230 million in multi-investor vehicles, all of which feature CEFs as a large part of their portfolios. It has significant experience in investing around the world and across different asset classes.

The Manager's executive directors are Richard Webb and Stephen Brown (see Section 5.3 below). Richard established the Manager in 1998, and the Manager is a wholly-independent investment management business. The Manager has been active in discount capture strategies since this date.

5.2. Role of the Manager

The role of the Manager is to:

- construct and manage the Portfolio, and manage and supervise all investments;
- manage exposure to currencies and markets;
- borrow under any credit facilities established by the Company;
- calculate the value of the Portfolio at least monthly or more frequently as required; and
- keep the Company informed in respect of the management of the Portfolio.

Where necessary the Manager may also:

- proactively engage with the board and management of investee entities;
- exercise all rights associated with the Portfolio, including convening general meetings, submitting shareholder resolutions and voting at meetings;
- appoint directors to the boards of investee companies; and
- engage legal and other advisors in connection with the management of the Portfolio.

5.3. Manager Personnel

(a) The Board of the Manager

Sadeq Sayeed, Chairman

Sadeq has over 30 years' experience in investment banking. He led the successful acquisition of Lehman Brothers' businesses in EMEA and Asia by Nomura Europe. Following this transaction he acted as CEO of the combined group. While working for Nomura he was also responsible for the creation of Terra Firma Capital Partners, a £2 billion private equity fund. Other roles include acting as a Managing Director of Credit Suisse First Boston and as a Consultant to the World Bank. He holds an undergraduate degree in Economics from Massachusetts Institute of Technology and a master's degree in Finance from its Sloan School. He is an Associate Scholar at Pembroke College, Cambridge University and Adjunct Professor at Imperial College Business School.

Richard Webb, CEO

Richard has overall responsibility for the Manager's trading and investment management activities. He has 27 years' experience in trading, investment management and research, covering equities, fixed income and derivatives markets. Previous positions include Director of the Leveraged Funds Group at Credit Suisse First Boston, responsible for equity fund management, and Head of Trading for Buchanan Partners, a London-based fund management organisation. He holds a master's degree in Mathematics from Oxford University and is a CFA Charterholder.

Stephen Brown, CFO

Stephen is responsible for all aspects of financial and operational control at the Manager. He has 28 years' experience in international financial markets and is a Chartered Accountant (ACA). Previous positions include 12 years with UFJ International plc, where he was Head of Operations, and six years with Credit Suisse First Boston as Head of Audit and subsequently Financial Controller. He is a graduate of Economics from the University of Exeter.

(b) Investment managers involved in the discount capture strategy

Miles Staude, Fund Manager

Miles has 14 years' experience in investment management and research covering equity, commodity and currency markets. He has spent 7 years at the Manager where he is responsible for closed-end fund and equity trading and is primarily involved in event-driven and activist investments for the firm. Prior to joining the Manager, Miles spent 5 years as a sell-side analyst at RBC Capital Markets based in both Sydney and London. He holds an Economics degree from Sydney University and is a CFA Charterholder.

Jeremy Hurt, Investment Manager

Jeremy has over 26 years' experience in financial markets including 18 years in the closed-end fund sector. He has been at the Manager since its inception, having previously worked with Richard Webb at Buchanan Partners, a London based proprietary trading and fund management organisation, and Credit Suisse First Boston (Europe) Ltd. Previous employment includes roles at JP Morgan and Mercury Asset Management and eight years with Provident Mutual Life Assurance Association where he began his career.

Tom Sharp, Investment Manager

Tom joined the Manager in August 2002. He currently manages a portfolio of deeply-discounted closed-end funds and alternative investments. Prior to joining the Manager, he worked as a management consultant within NatWest Bank and was involved in the development and selection of new business ventures for EasyGroup. He graduated with a master's degree in Natural Sciences from the University of Cambridge in 1998 and is a CFA Charterholder.

5.4. MEMO Performance History

Since 1998 the Manager has pursued a discount capture strategy similar to that proposed by the Company. The CEF-focussed discount capture strategy represents the largest strategy pursued by the Manager's multi-strategy funds, as a proportion of funds under management, since their establishment.

Metage Emerging Markets Opportunities Fund (**MEMO**) has the longest track record of the funds managed by the Manager. MEMO is a multi-strategy fund that was launched in September 2000. Since its inception it has delivered a gross annual US dollar rate of return of 18.9%[3], before management and performance fees. During the course of MEMO's life the largest strategy which it has pursued has been the discount capture strategy, which has typically exceeded 50% of the fund's net asset value. It has also pursued related strategies investing in convertible bonds, lending, equities and options.

MEMO's investment mandate specifies that the fund is run on a "hedged" basis, targeting a minimal net asset value exposure to general equity market movements. MEMO has an emerging markets focus, whereas the Company will invest globally. See Section 4.6 for details. As such it is necessary

[3] As at end February 2014

to compare MEMO's track record against similarly hedged vehicles and MEMO cannot be seen as a direct comparator to the Company and its proposed strategy. It does however provide an indication of the historic success of the Manager in managing a fund using its discount capture strategy among other strategies.

The table below is indicative of the Manager's capabilities over a significant period of time (13½ years) and across a number of market cycles. The pro forma gross performance history for MEMO, shown below[4], has been adjusted to incorporate the costs and the proposed fees that would be payable to the Manager by the Company[5].

	1 Year	3 Years (pa)	5 Years (pa)	Annualised return since inception (pa)	Total return since inception (September 2000)
MEMO pro forma returns	9.6%	6.6%	10.4%	15.4%	587%
Dow Jones CS EM Hedge Fund Index[6]	4.1%	3.8%	10.5%	8.0%	182%

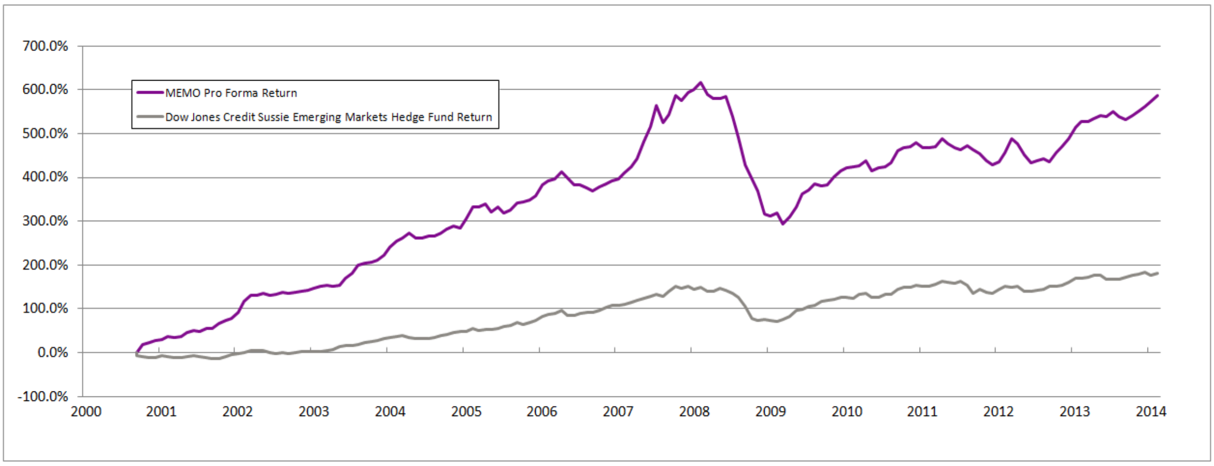
Investors are reminded that past performance is no guarantee of future performance and that the investment strategy for the Company differs from MEMO.

Unlike MEMO, the Company will be run largely on a "long" basis, with the Manager engaging in hedging only in limited circumstances. As such, the Company's returns may be expected to reflect in part the performance of the global markets.

Figure 3 below sets out MEMO's total returns since its inception date as compared to its benchmark, the Dow Jones Credit Suisse Emerging Markets Hedge Fund Index.

The pro forma gross performance history for MEMO has been adjusted to incorporate the costs and the proposed fees that would be payable to the Manager by the Company[7]. Investors are reminded that past performance is not a reliable indicator of future performance.

Figure 3 – MEMO Total Returns

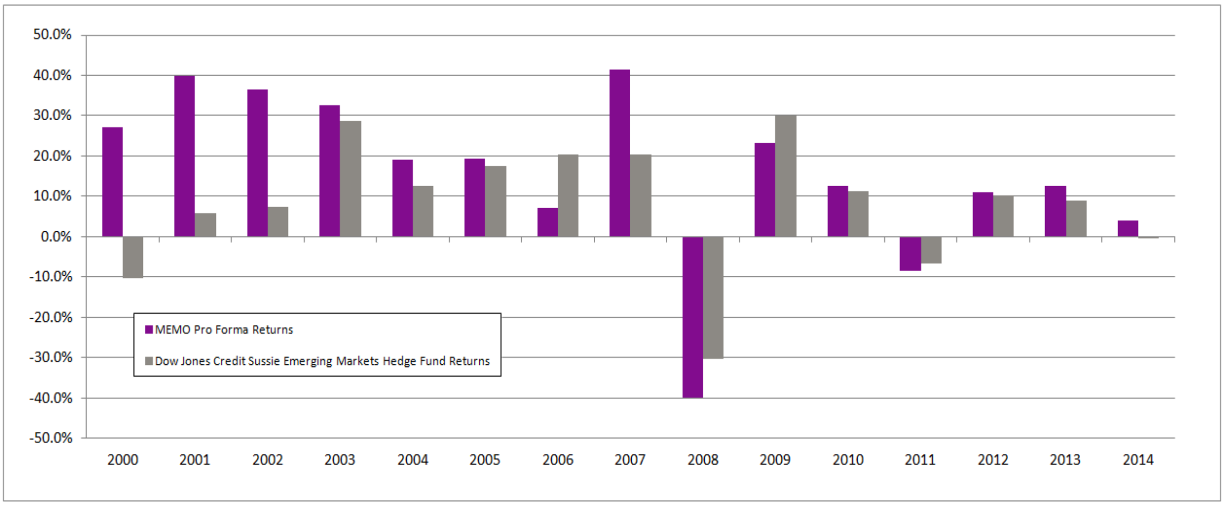


4 Period to 28 February 2014.
5 As the fund is a US dollar denominated fund, the performance fee hurdle has been set in terms of US dollar cash rates instead of Australian dollar cash rates.
6 The Dow Jones Credit Suisse Emerging Markets Index is a widely quoted source of returns for hedged portfolios invested in emerging markets.
7 As the fund is a US dollar denominated fund, the performance fee hurdle has been set in terms of US dollar cash rates instead of Australian dollar cash rates.

Figure 4 below sets out MEMO's annual return for each year since inception.

The pro forma gross performance history for MEMO has been adjusted to incorporate the costs and the proposed fees that would be payable to the Manager by the Company[8]. Investors are reminded that past performance is not a reliable indicator of future performance.

Figure 4 – MEMO Annual Returns



[8] As the fund is a US dollar denominated fund, the performance fee hurdle has been set in terms of US dollar cash rates instead of Australian dollar cash rates.

6. Risk Factors

6.1. Introduction

Investors intending to subscribe for Shares and Options should be aware that this involves various risks. There are general risks associated with owning securities in publicly listed companies, including those set out in Section 6.4 below. The price of securities can go down as well as up due to factors outside the control of the Company. These factors include Australian and worldwide economic and political stability, natural disasters, the performance of the global stock markets, interest rates, foreign exchange rates, taxation and labour relations.

6.2. Key investment strategy risks

The Company's investment activities will expose it to a variety of risks. The Company has identified some of these as being particularly relevant to its investment strategy, namely reliance on the Manager, equity market risk, currency risk, liquidity risk, concentration risk and the risks associated with activist investment strategies.

Reliance on the Manager

The Company's success and profitability depends almost entirely on the Manager's ability to identify and to purchase securities at a discount to their underlying value and then to engage successfully in strategies to realise this value. Poor security selection by the Manager and/or an inability to successfully execute passive or activist investment strategies to unlock this value will mean that the assets held by the Portfolio will continue to trade at discounts to their underlying value. This could have an adverse impact on the Company's financial performance.

The Manager's ability to manage the Portfolio in accordance with this Prospectus is dependent on the maintenance of the Manager's licence from the Financial Conduct Authority in the UK and the Manager's continued solvency. Maintenance of the appropriate licensing depends, among other things, on the Manager continuing to comply with Financial Conduct Authority imposed licence authorisations and conditions. The Company is also dependent on the retention of key personnel within the Manager with responsibility for managing the Portfolio.

See Section 5 for more detail on the Manager and also Sections 4.9, 4.10 and 4.11 for detail on the approach the Manager will take to risk management for the Portfolio.

Equity market risk

Equity market risk is the risk of fluctuations in the market price of assets held by the Company which results from moves in the wider equity markets. The Company will hold investments in various markets and a general negative movement in any of these markets could reduce the value of the Portfolio's investments. The Manager may mitigate excessive equity market risk through the judicious use of hedges (see Section 4.11 for details), but there can be no guarantee that such hedging will be effective.

Currency risk

The Company will invest principally in entities listed on international markets, which may themselves hold assets either listed or trading in different countries. This will expose the Portfolio to movements in the relative values of different currencies. If the Australian dollar increases in value compared to the currency in which the Company holds assets, the assets will have a lower value in Australian dollar terms. The Manager may utilise FX hedges to limit the Company's exposure to an individual currency or basket of currencies (see Section 4.11 for details), but there can be no guarantee that such hedging will be effective.

Liquidity risk

Liquidity risk is the risk that a Portfolio investment may be difficult or impossible to sell in a timely fashion when required, or that the price at which such a sale may be made differs substantially from what the Manager considers to be fair market value. Liquidity risk is compounded by the risk that

Portfolio investments may become illiquid after purchase. If the Manager is unable to sell assets, or can only sell assets at a discount, the value of the Portfolio may be negatively impacted.

Concentration risk

Concentration risk is the risk of a significant decrease in the value of the Portfolio as the result of a movement in the market price of any single investment or related group of investments. If a single investment makes up a high percentage of the Portfolio's value, an abnormal movement in its market price may have a correspondingly high impact on the value of the Portfolio. The Manager seeks to ensure that the Portfolio is diversified by geography and asset class and will limit the Portfolio's exposure to any individual security to manage this risk (see Sections 4.6 and 4.11 for details).

Corporate activism risk

The Company may sometimes employ an "activist" strategy, which may involve engaging with other shareholders, the boards of investee entities and other stakeholders to seek to increase shareholder value. Such actions could potentially lead to litigation and/or some form of enforcement action. This could include action by other stakeholders, market operators and/or financial services regulators. This could be costly and time consuming and may adversely impact on the financial performance of the Company.

The Company may incur expenses as a result of such action, including but not limited to litigation, legal and other expert's fees, travel and accommodation costs, and other expenses arising from managing the Portfolio which are incurred by the Manager on behalf of the Company. The Company will be responsible for paying these additional costs associated with its investment strategy. The Manager will seek to ensure that any such costs are appropriately managed, but if they are material, these costs could be substantially higher than estimates for ongoing costs. In the event that any such costs are incurred on behalf of more than one client of the Manager, they will be allocated fairly across those clients according to the Manager's conflicts of interest policy.

6.3. Risks arising from leverage, derivatives and short selling

Leverage in an investment portfolio may be achieved through borrowing funds to invest. Short selling and the use of derivatives can also introduce effects within an investment portfolio that are similar to leverage. Portfolio leverage can add volatility to the price of the Shares and Options as it can magnify gains, but can also increase losses. A loss to the Portfolio will have an adverse impact on the financial performance of the Company. The Manager seeks to prudently manage these risks for the Portfolio (see Sections 4.10 and 4.11), but it cannot eliminate them entirely.

Leverage

Leverage through borrowing, also known as gearing, can magnify portfolio gains, but will also magnify losses. This may impact the Company's risk, liquidity and value. The Manager believes it is in Shareholders' interests to aim to have the Portfolio fully invested at all times, so as to reduce the negative performance effects of "cash drag" on the Company. As the attractiveness of the available investment universe will vary over time, the Manager will have the ability to borrow funds to invest, up to the value of 15% of the Company's net asset value. This facility will ensure that the Manager is not forced to immediately match purchases with sales, as well as providing an ability to capitalise on highly attractive investment opportunities that may arise from time to time.

One of the advantages to shareholders of a listed investment company structure over an open ended fund is that the fixed pool of capital available to the Company allows its Manager to target being fully invested at all times.

Short selling

Short selling can magnify gains and/or offset risks in an investment portfolio, but can also magnify losses in a similar manner to leverage. While the use of short selling can substantially improve the risk profile for invested capital, it may also have a significantly increased adverse impact on the Company's financial performance.

The Company's policy will be to use short selling to offset risk, rather than as a means of magnifying returns from investment positions. In this regard, short selling will be used to manage and moderate financial market risk for the Portfolio, and may be used to manage other risks as appropriate.

As the Manager must first borrow a security to establish a short position, there is a risk that a security will not be available to return to the lender at a particular time or an acceptable price and therefore the Manager may be obliged to cover its short position at a higher price than the short price, resulting in a loss. Losses on short sales are potentially unlimited, as a loss occurs when the value of a security sold short increases. Alternatively, there may not be securities available to borrow to establish the desired short position. Until the Manager replaces a borrowed security, the Company will be required to maintain assets with the lending broker as collateral. Short sales therefore also involve credit exposure to the securities lender.

Derivatives

Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than its underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of the Portfolio. Derivatives may also be subject to liquidity risk and/or counter-party risk. Depending on market conditions, derivative positions can be costly or difficult to reverse.

The Portfolio's investment focus is CEFs. The Manager is, however, permitted to use derivatives to manage risk, to make investments and for hedging purposes within the Portfolio (see Sections 4.5 and 4.6).

6.4. Other risk factors

The operating results and profitability of the Company are subject to a number of other, more general risks. The risks set out below, as well as the others set out in this Prospectus, should be carefully considered when evaluating an investment in the Company, as well as the Company's prospects.

Type of Risk	Description of Risk
Emerging market risk	The Company may invest in emerging markets as well as securities which provide exposure to emerging markets. Emerging markets may have different valuation, custody, disclosure, reporting and auditing standards to Australia and political and economic events, such as confiscatory taxation or expropriation, may have a significant effect on the liquidity and value of these investments.
Investment risk	The value of your investment may fall for a number of reasons, including the risks set out in this Section 6, which means that you may receive back less than your original investment when you sell your Shares and Options.
Economic risk	The Portfolio will be constructed so as to manage economic risks within desired limits. Certain events may have a negative effect on the price of all types of investments within a particular economy. These events may include changes in economic, social, technological or political conditions, as well as market sentiment in various jurisdictions. The Manager will seek to appropriately manage economic risks, but cannot eliminate them entirely. The Manager views exposure to some economic risks in equity markets as an opportunity for gain in line with the Company's investment objectives. The Manager will therefore not avoid economic risk altogether.
Interest rate risk	Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Counterparty risk	A loss may occur if the other party to a contract, including derivatives contracts or lending arrangements (cash or stocks), defaults on their obligations under the contract.

Type of Risk	Description of Risk
Other risks that could materially affect the Company's operating results and/or your investment	The investment professionals employed to manage the Portfolio may change. Investing in the Company may have a different tax outcome from investing directly in international securities. The performance fee may create an incentive for the Manager to make investments that are riskier or more speculative than would otherwise be the case in the absence of a fee based on the performance of the Company. The future earnings of the Company and the value of the investments of the Company may be affected by the general economic climate, commodity prices, currency movements, changing government policy and other factors beyond the control of the Company. As a result, no guarantee can be given in respect of the future earnings of the Company or the earnings and capital appreciation of the Company's investments. There may be variations in legislation and government policies (for example, legislative or regulatory restrictions on short selling or other activities required to implement the strategy described in this Prospectus). There may be variation in the taxation laws of Australia or other jurisdictions in which the Company holds investments.

The Manager's programme for managing these general risks involves monitoring and applying internal controls appropriate to the different risk categories, see Sections 4.9 - 4.11 for details.

6.5. Time frame for investment

Investors are strongly advised to regard any investment in the Company as a medium-to-long term proposition (5 - 7 years) and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur over that period.

7. Financial Position of the Company

7.1. Proceeds of the Issue

The Board intends to use the funds raised from the Offer for investment consistent with the investment objectives and investment process set out in Section 4.

7.2. Unaudited pro forma balance sheets

The unaudited pro forma historical balance sheets set out below represent the pro forma balance sheets of the Company adjusted for completion of the Offer. They are intended to be illustrative only and they do not reflect the actual position of the Company as at the date of incorporation, date of this Prospectus, or at the conclusion of the Offer.

The unaudited pro forma balance sheets have been prepared in accordance with the accounting policies set out in Section 7.7 below.

Global Value Fund Limited
Unaudited Pro Forma Balance Sheets
Assumes completion of the Offer

The unaudited pro forma balance sheets are presented in summary form only and do not comply with the presentation and disclosure requirements of Australian Accounting Standards.

	Minimum Subscription 16,000,000 Shares	**Subscription 50,000,000 Shares**	**Maximum Subscription 100,000,000 Shares**
	$'000	**$'000**	$'000
Current Assets			
Cash	15,591	48,882	97,808
Deferred Tax Asset	73	88	101
Total Assets	**15,664**	**48,970**	**97,909**
Total Liabilities	**-**	**-**	**-**
Net Assets	**15,664**	**48,970**	**97,909**
Equity			
Share Capital			
Contributed equity	15,835	49,175	98,144
Less: cost of offer capitalised	(170)	(204)	(234)
	15,665	48,971	97,910
Costs not eligible to be capitalised	(1)	(1)	(1)
Total Equity	**15,664**	**48,970**	**97,909**
Net asset value per Share	**0.979**	**0.979**	**0.979**

7.3. Capital structure

The anticipated capital structure of the Company on completion of the Issue is set out below:

	Minimum Application 16,000,000 Shares	Application 50,000,000 Shares	Maximum Application 100,000,000 Shares
Shares on issue	16,000,001	50,000,001	100,000,001
Options on issue	16,000,000	50,000,000	100,000,000

7.4. Cash

A reconciliation of the pro forma statements of financial position for cash is as below:

	Minimum Application 16,000,000 Shares	Application 50,000,000 Shares	Maximum Application 100,000,000 Shares
Initial Subscriber Share	1	1	1
Proceeds of Prospectus offer	15,835,000	49,175,000	98,143,750
Expenses of Offer (net of tax) – refer to Section 7.6	170,720	204,816	234,730
Deferred tax asset	73,166	87,778	100,599
Estimated net cash position	15,591,115	48,882,407	97,808,422

7.5. Assumptions

These unaudited pro forma balance sheets and the information in Sections 7.3 and 7.4 have been prepared on the basis of the following assumptions:

(a) Application of the proposed accounting policies and notes to the accounts set out in Section 7.7.

(b) In the unaudited pro forma statement of financial position entitled "Minimum Subscription 16,000,000 Shares", the reference is to issuing 16,000,000 Shares and their attached Options to Applicants under this Prospectus.

(c) In the unaudited pro forma statement of financial position entitled "Subscription 50,000,000 Shares", the reference is to issuing 50,000,000 Shares and their attached Options to Applicants under this Prospectus.

(d) In the unaudited pro forma statement of financial position entitled "Maximum Subscription 100,000,000 Shares", the reference is to issuing 100,000,000 Shares and their attached Options to Applicants under this Prospectus.

(e) Retail Applicants who consent to the payment of the Service Fee and Institutional Applicants will pay $0.9725 per Share to the Company in subscription for Shares and a Service Fee equal to $0.0275 (including GST) of the Application Price provided with valid Application Forms bearing a Licensee's stamp to the extent Shares and Options are allotted under the Offer. No Service Fee will be payable on WAM Priority Allocation Offer Applications and Applicants will pay $1.00 per Share to the Company in subscription for Shares.

(f) For the purpose of the above unaudited proforma balance sheets, it has been assumed that, for the column headed:

(i) "Minimum Subscription 16,000,000 Shares", the Company will receive $1.00 per Share for 10,000,000 Shares issued and $0.9725 per Share for 6,000,000 Shares issued to Retail Applicants that consented to the payment of the Service Fee of $0.0275 per Share.

(ii) "Subscription 50,000,000 Shares", the Company will receive $1.00 per Share for 20,000,000 Shares issued and $0.9725 per Share for 30,000,000 Shares issued to Retail Applicants that consented to the payment of the Service Fee of $0.0275 per Share.

(iii) "Maximum Subscription 100,000,000 Shares", the Company will receive $1.00 per Share for 32,500,000 Shares issued and $0.9725 per Share for 67,500,000 Shares issued to Retail Applicants that consented to the payment of the Service Fee of $0.0275 per Share.

(g) The Company will pay a fixed fee of $25,000 (excluding GST) to the Lead Manager, regardless of the quantum of monies raised.

(h) Expenses of the Offer have been paid and are recognised in equity net of tax (refer to Section 7.6 below).

7.6. Expenses of the Offer

The Company will pay the expenses of the Offer including legal and investigating accountant fees, printing and initial ASX listing fees. These expenses have been estimated at $170,720 (net of tax) assuming the Minimum Subscription is achieved and $234,730 (net of tax) assuming the maximum subscription is achieved. A breakdown of these expenses (including GST), assuming the Minimum Subscription of Applications for 16,000,000 Shares and Maximum Subscription of Applications for 100,000,000 Shares is provided below:

	Minimum Subscription $	**Maximum Subscription $**
Lead manager fees	27,500	27,500
Legal fees	60,000	60,000
Investigating accountant and tax adviser fees	20,000	20,000
ASX fees	88,935	180,378
ASIC lodgement fees	2,225	2,225
Other expenses	45,226	45,226
Total estimated gross expenses of the Offer	**243,886**	**335,329**
Deferred tax asset	(73,166)	(100,599)
Total estimated expenses of the Offer	**170,720**	**234,730**

7.7. Proposed significant accounting policies and notes to accounts

A summary of significant accounting policies that have been adopted in the preparation of unaudited pro forma balance sheets set out in Section 7.2 or that will be adopted and applied in preparation of the financial statements of the Company for the period ended 30 June 2014 and subsequent periods is set out as follows:

(a) Basis of preparation

The pro forma statement of financial position has been prepared in accordance with Australian Accounting Standards and Interpretations, issued by the Australian Accounting Standards Board (**AASB**) and the Corporations Act 2001, as appropriate for for-profit oriented entities. The pro forma statement of financial position also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board (**IASB**).

Australian Accounting Standards set out accounting policies that the AuAASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial information presented in the Prospectus is presented in an abbreviated form and does not contain all of the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. The pro forma statements of financial position have been prepared on the basis of assumptions outlined in Section 7.5.

The pro forma statements of financial position have been prepared on an accrual basis and are based on historical costs.

(b) Financial instruments

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, trade date accounting is adopted, which is equivalent to the date that the Company commits to purchase or sell the assets.

Financial instruments are initially measured at fair value. Transaction costs related to instruments classified "at fair value through profit or loss" are expensed to the profit or loss immediately.

(ii) Classification and subsequent measurement

Investments such as shares in publicly listed and unlisted companies, exchange traded call and put options and investments in fixed interest securities are subsequently measured at fair value and are presented in the profit or loss on a liquidity basis.

The Company may short sell securities. Short sales or borrowed stock are classified as a financial liability and are revalued to fair value through the profit or loss.

(iii) Financial assets at fair value through profit or loss

Financial assets are classified "at fair value through the profit or loss" when they are held for trading for the purpose of short-term profit taking. Realised and unrealised gains and losses arising from changes in fair value are included in the profit or loss in the period in which they arise.

(iv) Financial liabilities

Borrowed stock is classified "at fair value through profit or loss". Realised and unrealised gains and losses arising from changes in fair value are included in the profit or loss for the period in which they arise.

(v) Derivative Instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the profit or loss.

(vi) Fair value

Fair value is determined based on current market prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions and reference to similar instruments.

(vii) Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party, whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the profit or loss.

(c) Revenue and other income

Dividend income is recognised in the profit or loss on the day on which the relevant investment is first quoted on an “ex-dividend” basis and is presented net of any withholding taxes. Dividends declared on short positions held on the ex-dividend date are recorded as dividend expenses.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset net of any withholding taxes.

(d) Foreign Currency

The financial statements of the Company are presented in Australian Dollars (A$), which is the Company’s functional and presentation currency.

Foreign currency transactions during the year are translated into Australian Dollars at the exchange rate at the transaction date. At each reporting date, assets and liabilities denominated in foreign currency are retranslated at the rates prevailing at the reporting date. Foreign exchange gains or losses resulting from the settlement of foreign denominated assets and liabilities will be recognised in profit and loss. Net exchange gains and losses arising on the revaluation of investments will included in net gains or losses on investments.

(e) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised as temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted for each jurisdiction.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), unless GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the Statement of Financial Position.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Share Capital

Ordinary shares will be classified as equity. Costs directly attributable to the issue of ordinary shares will be recognised as a deduction from equity, net of any tax effects.

(i) Share Option Reserve

The share option reserve will be measured at the fair value of the Options at the date of issue. This reserve is adjusted, with a corresponding entry to share capital, on exercise of the Options. At the expiration of the Option period, the portion of the reserve relating to unexercised Options will be transferred to a capital reserve.

MOORE STEPHENS
ACCOUNTANTS & ADVISORS

8. Investigating Accountant's Report

29 May 2014

Level 15, 135 King Street

Sydney NSW 2000

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Sydney, NSW 2001

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The Directors
Global Value Fund Limited
c/- Mertons Corporate Services Pty Limited
Level 7
330 Collins Street
Melbourne VIC 3000

Dear Directors

PART 1: INDEPENDENT LIMITED ASSURANCE REPORT ON THE GLOBAL VALUE FUND LIMITED PRO FORMA HISTORICAL FINANCIAL INFORMATION

8.1 INTRODUCTION

The Directors of the Global Value Fund Limited *(*the *"Company")* have engaged Moore Stephens Sydney Corporate Finance Pty Limited *("Moore Stephens")* to report on the pro forma historical financial information of the Company.

We have prepared this Independent Limited Assurance Report *("Report")* to be included in a replacement prospectus dated on or about 29 May 2014 and relating to the offer of up to 100,000,000 fully paid Shares at an Application Price of $1.00 each to raise up to $100,000,000, together with an entitlement to 1 option to acquire 1 Share at an exercise price of $1.00 per Share on or before 17 March 2016.

The minimum subscription is Applications for 16,000,000 Shares and their attached Options. The Offer is not underwritten.

Unless stated otherwise, expressions defined in the Prospectus have the same meaning in this Report and section references are to sections of the Prospectus.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence ("*AFSL*") under the Corporations Act 2001. Moore Stephens holds the appropriate AFSL authority under the Corporations Act 2001. Refer to our Financial Services Guide included as Part 2 of this Report.

8.2 BACKGROUND

The Company incorporated on 20 March 2014 and has not traded. As at the date of this Report, the Company has 1 Share and no Options on issue and net assets of $1.

8.3 SCOPE

This Report deals with the financial information included in Section 7 of the Prospectus ("*Financial Information*").

The pro forma Statements of Financial Position in section 7.2 have been prepared to illustrate the financial position of the Company on completion of the Issue and have been prepared on the basis of the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events to which the pro forma assumptions relate, as described in Section 7 of the Prospectus, as if those events had occurred as at the date the Company was incorporated on 20 March 2014. Due to its nature, the pro forma historical financial information does not represent the Company's actual or prospective financial position.

The pro forma Statements of Financial Position are presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports.

We disclaim any responsibility for any reliance on this Report or the financial information to which it relates for any purpose other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus and has been prepared for inclusion in the Prospectus.

8.4 DIRECTOR'S RESPONSIBILITIES

The Directors of the Company are responsible for the preparation and fair presentation of the pro forma Statements of Financial Position including the selection and determination of pro forma assumptions, accounting policies and the notes included in the pro forma historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

8.5 OUR RESPONSIBILITIES

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

8.6 CONCLUSION

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that the pro forma historical financial information being the pro forma Statements of Financial Position as at the close of the Offer are not presented fairly, in all material respects, in accordance with the stated basis of preparation as described in section 7 of the Prospectus.

8.7 RESTRICTION ON USE

Without modifying our conclusions, we draw attention to section 7.2 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the public document. As a result, the financial information may not be suitable for use for another purpose.

Investors should consider the statement of investment risks set out in the Prospectus, in Section 6.

8.8 LEGAL PROCEEDINGS

To the best of our knowledge and belief, there are no material legal proceedings outstanding or currently being undertaken, not otherwise disclosed in this Report, which would cause the information included in the report to be misleading.

8.9 SUBSEQUENT EVENTS

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief no other material transactions or events outside of the ordinary business of the Company have come to our attention, that would require comment on, or adjustment to the information referred to in our Report, or that would cause such information to be misleading or deceptive.

8.10 SOURCES OF INFORMATION

We have made enquiries of the Directors and management of the Company and other parties as considered necessary during the course of our analysis. We have also referred to the Prospectus and material documents which relate to the proposed operations of the Company.

We have no reason to believe the information supplied is not reliable.

8.11 INDEPENDENCE OR DISCLOSURE OF INTEREST

Moore Stephens has no financial or other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion on the matters that are subject of this Report for which normal professional fees will be received.

Neither Moore Stephens Sydney Corporate Finance Pty Ltd, Moore Stephens Sydney Wealth Management Pty Limited, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which normal professional fees will be received.

Our associated partnership, Moore Stephens Sydney, has been nominated to be auditor of the company subject to Australian Securities & Investments Commission and shareholder approval. If appointed, Moore Stephens Sydney will receive fees for performing audit services.

8.12 LIABILITY

Moore Stephens has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report, this consent has not been withdrawn.

The liability of Moore Stephens is limited to the inclusion of this Report in the Prospectus. Moore Stephens has not authorised the issue of the Prospectus. Accordingly, Moore Stephens makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from, the Prospectus.

8.13 FINANCIAL SERVICES GUIDE

We have included our Financial Services Guide as Part 2 of this Report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully
Moore Stephens Sydney Corporate Finance Pty Ltd

Scott Whiddett
Director

PART 2 - FINANCIAL SERVICES GUIDE **29 May 2014**

1. Moore Stephens Sydney Corporate Finance Pty Ltd

Moore Stephens Sydney Corporate Finance Pty Ltd ("***Moore Stephens***") is an authorised representative of Moore Stephens Sydney Wealth Management Pty Ltd ("***Licence Holder***") in relation to Australian Financial Services Licence No. 336950.

Moore Stephens may provide the following financial services to wholesale and retail clients as an authorised representative of the Licence Holder:

- Financial product advice in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds, deposit and payment products, life products, retirement savings accounts and superannuation (collectively "***Authorised Financial Products***"); and
- Applying for, varying or disposing of a financial product on behalf of another person in respect of Authorised Financial Products.

2. Financial Services Guide

The Corporations Act 2001 requires Moore Stephens to provide this Financial Services Guide ("***FSG***") in connection with its provision of an Investigating Accountant's Report ("***Report***") which is included in the Prospectus provided by the Global Value Fund Limited (the "***Entity***").

3. General Financial Product Advice

The financial product advice provided in our Report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in our Report is appropriate for you, having regard to your own personal objectives, financial situation or needs. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence ("***AFSL***") to assist you in this assessment.

4. Remuneration

Moore Stephens' client is the Entity to which it provides the Report. Moore Stephens receives its remuneration from the Entity. Our fee for the Report is based on a time cost or fixed fee basis. This fee has been agreed in writing with the party who engaged us. Neither Moore Stephens nor its Directors and employees, nor any related bodies corporate (including the Licence Holder) receive any commissions or other benefits in connection with the preparation of this Report, except for the fees referred to above.

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of Moore Stephens or related entities but any bonuses are not directly connected with any assignment and in particular not directly related to the engagement for which our Report was provided.

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connections with the reports that we are licensed to provide.

5. Independence

Moore Stephens is required to be independent of the Entity.

Neither Moore Stephens, Moore Stephens Sydney Wealth Management Pty Limited, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which professional fees in the order of $20,000 (excluding GST) will be received. No pecuniary or other benefit, direct or indirect, has been received by Moore Stephens, their Directors or employees, or related bodies corporate for or in connection with the preparation of this Report.

Moore Stephens Sydney, a chartered accounting partnership associated with Moore Stephens has been nominated to be the appointed auditor of the Company, for which it will receive fees.

6. Complaints Resolution

Moore Stephens is only responsible for its Report and this FSG. Complaints or questions about the Prospectus should not be directed to Moore Stephens which is not responsible for that document.

Both Moore Stephens and the Licence Holder may be contacted as follows:

- By phone: (02) 8236 7700
- By fax: (02) 9233 4636
- By mail: GPO Box 473
SYDNEY NSW 2001

If you have a complaint about Moore Stephens' Report or this FSG you should take the following steps:

1. Contact the Enquiries and Complaints Officer of the Licence Holder on (02) 8236 7700 or send a written complaint to the Licence Holder at Level 15, 135 King Street, Sydney NSW 2000. We will try and resolve your complaint quickly and fairly.
2. If you still do not get a satisfactory outcome, you have the right to complain to the Financial Industry Complaints Service at PO Box 579 Collins St West, Melbourne, Victoria 8007 or call on 1300 78 08 08. We are a member of this scheme.
3. The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

The Licence Holder, as holder of the AFSL, gives authority to Moore Stephens to distribute this FSG.

9. Directors of Global Value Fund Limited

9.1. Background of the Directors

Jonathan Trollip – Chairman and Non-Executive Director

Jonathan Trollip has over 30 years legal and commercial experience in the international financial sector. He is currently a principal and director of Sydney-based finance group Meridian International Capital Limited with whom he has worked for the past 20 years. Jonathan is Chairman of ASX-listed Australian Infrastructure Fund Limited and holds a number of private company directorships in the commercial and not-for-profit sectors including the University of Cape Town Alumni Trust, the Project for Africa Wildlife, Zambia and Science for Wildlife Inc.

Prior roles include acting as a partner at law firm Herbert Smith Freehills and working as a lawyer with Freshfields in London. Jonathan has a Bachelor of Arts degree in Economics from the University of Cape Town, post graduate degrees in economics and law from the University of Cape Town and the University of London (London School of Economics) and is a Fellow of the Australian Institute of Company Directors.

Chris Cuffe – Non-Executive Director

Chris has more than 25 years of experience in building successful wealth management practices. Most notably he joined Colonial First State in 1988 and became its CEO two years later, leading the company from a start-up operation to Australia's largest investment manager.

In 2003 Chris became the CEO of Challenger Financial Services Group Limited and subsequently headed up Challenger's Wealth Management business. Chris is now involved in a portfolio of activities including a number of directorships, managing public and private investments and in various roles assisting the non-profit sector. He is Chairman of UniSuper (the $40 billion superannuation scheme servicing the staff of universities and related institutions across Australia) a Non-Executive Director of Fitzpatrick Private Wealth (a national advisory and wealth management firm) and a founder/producer of online weekly financial newsletter Cuffelinks.

Chris holds a Bachelor of Commerce from the University of NSW and a Diploma from the Securities Institute of Australia. He is a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Institute of Company Directors and an Associate of the Financial Services Institute of Australasia. In October 2007 Chris was inducted into the Australian Fund Manager's RBS Hall of Fame for services to the investment industry.

Geoff Wilson – Non-Executive Director

Geoff has worked in the investment industry for the last 34 years. He is currently the Chairman of WAM Capital Limited, WAM Research Limited, WAM Active Limited and the Australian Stockbrokers Foundation Limited. He is a Director of a number of for-profit and charitable organisations including the Australian Leaders Fund Limited, Clime Capital Limited, Incubator Capital Limited, Sporting Chance Cancer Foundation and the Australian Fund Managers Foundation.

Prior roles include acting as a Director of Mariner Bridge Investments Limited (formerly known as Mariner Wealth Management Limited), Executive Director at Prudential-Bache and various roles for Scottish Amicable, Potter Partners and McIntosh Hamson Hoare Govett.

Geoff holds a Bachelor of Science Degree from La Trobe University and a Graduate Management Qualification. He is also a Fellow of the Institute of Company Directors and a Fellow of the Securities Institute of Australia.

Miles Staude – Non-Executive Director

Miles has 14 years' experience in investment management and research covering equity, commodity and currency markets. He has spent 7 years at the Manager where he is responsible for closed-end fund and equity trading and is primarily involved in event-driven and activist investments for the firm. Prior to joining the Manager, Miles spent 5 years as a sell-side analyst at RBC Capital Markets based in both Sydney and London. He holds an Economics degree from Sydney University and is a CFA Charterholder.

9.2. Participation by Directors

It is expected that Board meetings will be held at least quarterly and more frequently as required. The Directors' commitment of time to these activities will depend on a number of factors including the size of the Portfolio, the spread of investments in the Portfolio and the state of investment of the Portfolio.

9.3. Interests of Directors in the Company

The number of Shares in which Directors, or entities associated with them, will have a Relevant Interest is as follows:

Director	Ordinary Shares
Jonathan Trollip	200,000
Chris Cuffe	100,000
Geoff Wilson	1,000,000

9.4. Other Interests

Jonathan Trollip, Chairman of the Company, will apply for 200,000 Shares and their attached Options through an entity associated with him.

Chris Cuffe, Non-Executive Director of the Company, will apply for 100,000 Shares and their attached Options through an entity associated with him.

Geoff Wilson, Non-Executive Director of the Company, will apply for 1,000,000 Shares and their attached Options either directly or through an entity associated with him.

Metage Capital Limited, the Manager, will apply for 1,000,000 Shares and their attached Options either directly or through an entity associated with it.

Miles Staude, a Non-Executive Director of the Company is also an employee of the Manager.

Except as set out in this Prospectus, there are no interests that exist at the date of this Prospectus and there were no interests that existed within two years before the date of this Prospectus that are, or were respectively, interests of a Director, a proposed Director of the Company or a promoter of the Company or in any property proposed to be acquired by the Company in connection with its formation or promotion or the Offer. Further, there have been no amounts paid or agreed to be paid to a Director in cash or securities or otherwise by any persons either to induce him to become or to qualify him as a Director or otherwise, for services rendered by him in connection with the promotion or formation of the Company.

9.5. Directors' Remuneration

Directors are entitled to receive Directors' fees of up to $90,000 per annum to be shared among the Directors. Additional remuneration may be paid in accordance with the Company's Constitution. The following are the Directors' remuneration paid and payable for the year ending 30 June 2015:

Director	Director's Fees
Jonathan Trollip	$35,000
Chris Cuffe	$30,000
Geoff Wilson	$10,000
Miles Staude	$ Nil

9.6. Indemnity for Directors

The Company has agreed to provide an indemnity to the Directors in limited circumstances. See Section 10.3 for details.

10. Material contracts

The Directors consider that the material contracts described below and elsewhere in this Prospectus are those which an investor would reasonably regard as material and which investors and their professional advisors would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of the Offer. This Section contains a summary of the material contracts and their substantive terms.

10.1. Management Agreement

Parties

The Company and the Manager.

Appointment

The Company has appointed the Manager to manage the Portfolio of the Company and to manage and supervise all investments.

Powers of Manager

Subject to the Corporations Act, the Listing Rules and any written guidelines issued by the Company from time to time, the Manager will on behalf of the Company invest money constituted in or available to the Portfolio in making, holding realising and disposing of investments.

Subject to the obligation to liquidate the Portfolio to meet the Company's operating costs, dividend payments, capital returns, buybacks or other distributions, the Manager has absolute and unfettered discretion to manage the Portfolio and to do all things considered necessary or desirable in relation to the Portfolio, including, without limitation:

- investigation of, negotiation for, acquisition of, or disposal of every investment;
- to sell, realise or deal with all or any of the investments or to vary, convert, exchange or add other investments in lieu of those investments;
- if any investment is redeemed or the capital paid on it is wholly or partly repaid by the entity by which that investment was created or issued, to convert that investment into some other investment or accept repayment of the capital paid or advanced on the investment and any other monies payable in connection with that redemption or repayment and to invest any of those monies in other investments;
- to exercise any and all rights attached to investment securities including the right to convene, attend and vote at any meetings conferred by investee entities, and to appoint directors to the boards of investee entities;
- retain or sell any shares, debentures or other property received by the Company by way of bonus, or in lieu of, or in satisfaction of, a dividend in respect of any investments or from the amalgamation or reconstruction of any company; and
- to sell all or some of the rights to subscribe for new securities in an investment, to use all or part of the proceeds of sale of such rights for the subscription for securities or to subscribe for securities under those rights.

Valuations

The Manager must determine the value of the Portfolio as at the last Business Day of each month and provide such calculations to the Company as soon as practicable after such calculations are made. The Administrator is responsible for checking the Manager's valuation of the Company and for verifying the pricing of certain securities and traded instruments where readily available quotations exist.

Management fee

In its capacity as Manager, the Manager is entitled to receive a management fee of 0.125% per month (plus GST) (representing an annualised fee of 1.5% per annum (plus GST)) of the net value of the Portfolio. The Management Fee is calculated monthly and payable monthly in arrears.

Performance Fee

In return for the performance of its duties as manager of the Portfolio, the Manager is entitled to be paid a performance fee (**Performance Fee**) of 15% of PO where PO for a Performance Calculation Period is calculated in accordance with the following formula:

PO = (AGAV) – (NAV x (1 + (HR x Day Count))

where:

PO is the portfolio outperformance to be used in calculating the Performance Fee outlined above;

AGAV is the adjusted gross asset value and calculated by adding back to the Gross Asset Value any Australian corporate taxes accrued or paid by the Company in the relevant Performance Calculation Period;

NAV is the Net Asset Value calculated on the last Business Day of the preceding Performance Calculation Period or, if there is no preceding Performance Calculation Period, on the commencement date of the Agreement.

HR is the hurdle rate which is 4 percentage points above the mid-price of the Australian Financial Markets Association 1 year Interest Rate Swap Reference Rate published on the last Business Day prior to the start of the Performance Period, or, if there is no preceding Performance Calculation Period, on the Commencement Date, represented on Bloomberg by the BBSW1MD Index series.

Day count is the number of days which have elapsed in the current Performance Calculation Period divided by 365.

Once a Performance Fee has been paid, no further Performance Fee may be accrued or paid unless and then only to the extent that the Adjusted Gross Asset Value increases above the level at which a Performance Fee was previously paid, or if no Performance Fee has been paid, above the Net Asset Value on the Commencement Date.

If the amount calculated above is a negative number, no Performance Fee is payable in respect of that Performance Calculation Period.

For the purposes of the above, **Performance Calculation Period** is:

(i) the period from the Commencement Date to the earlier of the date of termination and 30 June of the next calendar year;

(ii) thereafter and subject to paragraph (iii), the period from the first day after the preceding Performance Calculation Period to 30 June of the next calendar year;

(iii) if the Term expires on a day other than 30 June, the last Performance Calculation Period is the period from the first day after the preceding Performance Calculation Period or, if there is no preceding Performance Calculation Period, the commencement date of the Agreement, to the date the Agreement is terminated.

In calculating the Performance Fee for the Performance Calculation Period, changes in the Net Asset Value as a result of the issue of Securities by the Company, capital reductions undertaken by the Company, share buy-backs undertaken by the Company and dividend distributions undertaken by the

Company will be adjusted in a manner determined by the auditor of the Company at the conclusion of that Performance Calculation Period.

The auditor of the Company must review the correct calculation of the Performance Fee prior to payment.

The Company must calculate the Performance Fee monthly and must pay the Performance Fee to the Manager annually in arrears within 20 business days of the end of the relevant Performance Calculation Period.

Term and termination

The term of the Management Agreement is 5 years unless terminated earlier in accordance with the Agreement.

The Management Agreement gives the Company certain termination rights including if:

(i) the Manager becomes insolvent;

(ii) the Manager breaches its obligations under the Management Agreement in a material respect and such breach cannot be rectified or is not remedied within 30 days after receiving notice of this breach; or

(iii) the licence under which the Manager performs its obligations under the Management Agreement is suspended for a period of no less than 3 months and in that period it does not obtain a replacement licence or is otherwise authorised by a third party holding such a licence necessary to perform its obligations under the Management Agreement.

If the Agreement is so terminated, the Company must pay the Manager a fee equal to the aggregate fees paid to the Manager in respect of the 12 month period up to the date of termination.

After the fifth anniversary of the Management Agreement, the Manager is entitled to terminate the Management Agreement on 6 months' notice, or if Shareholders resolve that the Manager be removed, on 3 months' notice.

Removal of Manager and novation of Management Agreement with replacement manager

The Company may remove the Manager with three months' notice if the Manager persistently fails to ensure that investments made on behalf of the Company are consistent with the investment process applicable at the time the investment is made.

If the Manager is removed in this way, the Manager may appoint a replacement manager approved by the Company and the Manager will assign all its rights, title and interest in and to the Management Agreement to the replacement manager, provided that the replacement manager holds a valid and current financial services licence under the applicable regulation, and undertakes to the Company to comply with all the obligations imposed on the Manager under the Management Agreement.

The effect of this assignment is the novation of the Management Agreement for the benefit of the replacement manager. The Company may terminate the Management Agreement if a replacement manager has not been appointed within the 3 month notice period.

Company indemnity

The Company must indemnify the Manager against any losses or liabilities reasonably incurred by the Manager arising out of, or in connection with, and any costs, charges and expenses (including legal expenses on a solicitor/own client basis) incurred in connection with the Manager or any of its officers, employees or agents acting under the Management Agreement or on account of any bona fide investment decision made by the Manager or its officers or agents except insofar as any loss, liability, cost, charge or expense is caused by the negligence, default, fraud or dishonesty of the Manager or its officers or employees. This obligation continues after the termination of the Management Agreement.

Manager indemnity

The Manager must indemnify the Company against any losses or liabilities reasonably incurred by the Company arising out of, or in connection with, and any costs, charges and expenses incurred in connection with, any negligence, default, fraud or dishonesty of the Manager or its officers or supervised agents. This obligation continues after the termination of the Management Agreement.

10.2. Prime Brokerage Agreement

The Company is currently negotiating with an international investment bank to act as Prime Broker and as Custodian for the Company. It is anticipated that this agreement will be finalised shortly after the Closing Date. The Prime Broker will provide services which may include the provision to the Company of margin financing, clearing, settlement, stock borrowing and foreign exchange facilities. The Company may also utilise the Prime Broker and other brokers and dealers for the purposes of, executing transactions for the Company. The Company will enter into this agreement on normal commercial terms.

10.3. Director Protection Deeds

The Company has entered into director protection deeds with each Director. Under these deeds, the Company has agreed to indemnify, to the extent permitted by the Corporations Act, each officer in respect of certain liabilities which the officer may incur as a result of, or by reason of (whether solely of in part), being or acting as an officer of the Company. The Company has also agreed to maintain in favour of each officer a directors' and officers' policy of insurance for the period that they are officers and for 7 years after they cease to act as officers.

10.4. Assignment Deed

By an assignment deed dated 16 May 2014, the Manager has assigned all right, title and interest to receive 25% of all management and performance fees payable under the Management Agreement to Boutique Investment Management Pty Limited (**BIM**), an entity associated with Geoff Wilson, however BIM is not entitled to fees in respect of the period until the net asset value of the Company exceeds $20 million.

The Company has acknowledged this assignment and undertaken to the Manager and BIM to pay this amount at the same time as the balance of the management fee and performance fee are payable to the Manager. The Company owes no other obligations to BIM.

The Manager has undertaken to BIM not to terminate or amend the terms of the Management Agreement or waive any of its rights under the Management Agreement without the prior written consent of BIM.

BIM has undertaken that if GVF does not complete the issue of Shares under this Prospectus within three months of the date of the Prospectus, it will pay on behalf of GVF all third party costs and expenses incurred by GVF in connection with the preparation, issue and distribution of the Prospectus or otherwise in connection with the proposed fundraising to be undertaken under the Prospectus and all associated transactions.

10.5. Lead Manager Agreement

The Company has entered into a lead manager agreement with the Lead Manager under which the Lead Manager will act as licensed intermediary in connection with the Offer for the purpose of section 911A(2)(b) of the Corporations Act.

The Company has provided customary representations and undertakings to the Lead Manager. These undertakings include an undertaking that, in the period ending 180 days after the date of this Prospectus, the Company will not allot or issue or agree to allot or issue or grant an option, right or warrant over shares or other securities in the Company or to change the nature of the business of the Company or acquire or divest any material assets without prior consultation with the Lead Manager.

In return for providing these services, the Lead Manager will receive a fee of $25,000 (plus GST). The Lead Manager may also be paid Service Fees by successful Applicants. See Section 2.5 for details.

11. Additional Information

11.1. Incorporation

The Company was incorporated on 20 March 2014.

11.2. Balance date and company tax status

The accounts for the Company will be made up to 30 June annually.

11.3. Rights Attaching to the Shares

The following information is a summary of the Company Constitution. Shareholders have the right to acquire a copy of the Company Constitution, free of charge, from the Company until the expiry of this Prospectus.

Each Share confers on its holder:

(a) the right to vote at a general meeting of Shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per shareholder) and on a poll (one vote per Share on which there is no money due and payable) subject to the rights and restrictions on voting which may attach to or be imposed on Shares (at present there are none);

(b) the right to receive dividends, according to the amount paid up on the Share;

(c) the right to receive, in kind, the whole or any part of the Company's property in a winding up, subject to priority given to holders of Shares that have not been classified by ASX as "restricted securities" and the rights of a liquidator to distribute surplus assets of the Company with the consent of members by special resolution; and

(d) subject to the Corporations Act and the Listing Rules, Shares are fully transferable.

The rights attaching to Shares may be varied with the approval of Shareholders in general meeting by special resolution.

11.4. Rights attaching to the Options

The terms and conditions of the Options are as follows:

Transfer/Transmission

An Option may be transferred or transmitted in any manner approved by the ASX.

Exercise

On exercise, the Company will issue a Share for each Option exercised. An Option may be exercised by delivery to the Company of a duly completed Notice of Exercise of Options, signed by the registered holder of the Option, together with payment to the Company of $1.00 per Option being exercised and the relevant option certificate.

An Option may be exercised on any Business Day from the date of grant to 17 March 2016, (inclusive) but not thereafter.

A Notice of Exercise of Options is only effective when the Company has received the full amount of the exercise price in cash or cleared funds.

Dividend entitlement

Options do not carry any dividend entitlement until they are exercised. Shares issued on exercise of Options rank equally with other issued Shares of the Company 7 Business Days after their date of issue and are entitled to dividends paid on and from this date.

Participating rights

For determining entitlements to the issue, an Option holder may only participate in new issues of securities to holders of Shares in the Company if the Option has been exercised and Shares allotted in respect of the Option before the record date. The Company must give at least 6 Business Days' notice to Option holders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules of the ASX.

If between the date of issue and the date of exercise of an Option the Company makes one or more rights issues (being a pro rata issue of Shares in the capital of the Company that is not a bonus issue), the exercise price of Options on issue will be reduced in respect of each rights issue according to the following formula:

$$NE = OE - \frac{E[P - (S + D)]}{(N + 1)}$$

where:

NE is the new exercise price of the Option;

OE is the old exercise price of the Option;

E is the number of underlying Shares into which one Option is exercisable;

P is the average closing sale price per Share (weighted by reference to volume) during the 5 trading days ending on the day before the ex rights date or ex entitlements date (excluding special crossings and overnight sales);

S is the subscription price for a Share under the rights issue;

D is the dividend due but not yet paid on each Share at the relevant time; and

N is the number of Shares that must be held to entitle holders to receive a new Share in the rights issue.

If there is a bonus issue to the holders of Shares in the capital of the Company, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

Reconstructions and alteration of capital

Any adjustment to the number of outstanding Options and the exercise price under a reorganisation of the Company's share capital must be made in accordance with the Listing Rules.

ASX Listing

The Company must make application for quotation of Shares issued on exercise of the Options on the ASX in accordance with the Listing Rules. Shares so issued will rank equally with other issued Shares of the Company.

Register

The Company will maintain a register of holders of Options in accordance with Section 168(1)(b) of the Corporations Act.

11.5. Dividend Re-Investment Plan

The Directors may elect to implement a dividend reinvestment plan (**Plan**) from time to time. The Plan terms are summarised below.

Eligible members

Shareholders who may participate in the dividend reinvestment plan comprise Shareholders:

(a) whose address, as it appears in the register of members of the Company, is situated in Australia; or

(b) whose address, as it appears in the register of members of the Company, is situated outside Australia and who have produced to the Company such evidence as the Company may require to satisfy the Company that any necessary approvals of any government or governmental authority in relation to participation in the Plan have been obtained and that such participation is not contrary to any applicable laws of Australia or any other relevant jurisdiction.

Application

Eligible Members may elect to participate in the Plan in respect of all or part of their shares in the Company which will comprise that member's Plan shares. The Directors may in their absolute discretion accept or refuse any application to participate.

Subscription Price

Shares will be allotted at a price to be announced by the Board in due course. Directors will only issue new shares if it is deemed to be in the interest of all Shareholders.

Investment of Dividends

In respect of each cash dividend from time to time due and payable to a participant in respect of the member's Plan Shares, the Directors will on behalf of and in the name of the participant subscribe for ordinary shares being the maximum number of shares which could be acquired by subscription, by the application of that participant's entitlement to dividends in respect of the Plan Shares, to the subscription for shares at the subscription price.

Ranking of Shares

All shares issued under the Plan will rank equally in all respects with existing shares from the date of issue.

ASX Listing

The Company will make application promptly after each allotment of shares for quotation of such shares on the official list of the ASX.

Variation or Termination of Participation

A participant may apply to increase or decrease the number of Plan Shares which the Company may in its absolute discretion approve or refuse. A participant may at any time terminate participation in the Plan by notice in writing to the Company.

11.6. Investor Considerations

Before deciding to participate in this Offer, you should consider whether the Shares and Options to be issued are a suitable investment for you. There are general risks associated with any investment in the stock market. The value of securities listed on the ASX may rise or fall depending on a range of factors beyond the control of the Company.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser immediately.

The potential tax effects relating to the Offer will vary between Investors. Investors are encouraged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

11.7. Legal proceedings

The Company is not and has not been, in the 12 months preceding the date of this Prospectus, involved in any legal or arbitration proceedings that have had a significant effect on the financial position of the Company. As far as the Directors are aware, no such proceedings are threatened against the Company.

11.8. Consents and Responsibility Statements

Taylor Collison Limited has given, and before lodgement of this Prospectus has not withdrawn, its consent to be named in this Prospectus as a Lead Manager of the Offer in the form and context in which it is named.

Moore Stephens Sydney Corporate Finance Pty Limited has given, and before lodgement of this Prospectus has not withdrawn, its consent to be named in this Prospectus as Investigating Accountant to the Company in the form and context in which it is named.

Metage Capital Limited has given, and before lodgement of this Prospectus has not withdrawn, its consent to be named in this Prospectus as Manager of the Company in the form and context in which it is named.

Watson Mangioni Lawyers Pty Limited has given, and before lodgement of this Prospectus has not withdrawn, its consent to be named in this Prospectus as Solicitor to the Offer in the form and context in which it is named.

Boardroom Pty Limited has given, and before lodgement of this Prospectus has not withdrawn, its consent to be named in this Prospectus as share registrar of the Company in the form and context in which it is named.

None of Taylor Collison Limited, Moore Stephens Sydney Corporate Finance Pty Limited, Metage Capital Limited, Watson Mangioni Lawyers Pty Limited or Boardroom Limited:

(a) has authorised or caused the issue of the Prospectus;

(b) has made, or purported to have made, any statement in this Prospectus, except this Section and, in the case of Moore Stephens Sydney Corporate Finance Pty Limited only, Section 8; and

(c) assumes responsibility for any part of this Prospectus except for statements in this section.

Each of these entities to the maximum extent permitted by the law, disclaim any responsibility or liability for any part of this Prospectus other than a statement included in this Section.

12. Definitions and Interpretation

12.1. Defined Terms

In this Prospectus:

Administrator means the entity appointed by the Company to keep the books and records of the Company and verify the calculation of the net asset value of the Company from time-to-time.

AFSL means Australian Financial Services Licence.

AFSL Holder means any holder of an AFSL.

Allotment Date means the date on which allotment of Shares under this Prospectus occurs.

Applicant means an applicant for Shares and Options under this Prospectus.

Application means an application for Shares and Options under this Prospectus.

Application Form means the application forms attached to this Prospectus.

Application Monies means monies provided by an Applicant with an Application Form.

Application Price means $1.00 multiplied by the number of Shares applied for.

ASIC means the Australian Securities & Investments Commission.

Associate has the same meaning as in the Corporations Act.

ASX or **Australian Securities Exchange** means ASX Limited or the securities exchange operated by ASX Limited.

CEF means a closed-end fund as described in Section 3.3.

Closing Date means the date by which valid Application Forms must be received being 11 July 2014 or such other date as the Company may determine in its discretion.

Company means Global Value Fund Limited (ACN 168 653 521).

Company Constitution means the constitution of the Company.

Consent letter means a letter addressed to a Retail Applicant by its AFSL Holder in connection with the Retail Applicant's consent and authorisation to the payment of the Service Fee to their AFSL Holder (and also the on payment of a percentage of that Service Fee to the specified adviser or individual broker providing advice or dealing services to them in respect of the Offer).

Directors or **Board** means the directors of the Company.

FCA means the Financial Conduct Authority of the United Kingdom.

Global Value Fund Limited means Global Value Fund Limited (ACN 168 653 521).

Institutional Applicant means an Applicant to whom offers or invitations in respect of Shares and Options can be made without the need for a disclosure document, including in Australia persons to whom offers can be made without the need for a lodged prospectus under section 708 of the Corporations Act (disregarding section 708AA).

Lead Manager means Taylor Collison Limited ACN 008 172 450.

Listing Rules means the listing rules of the ASX.

Manager means Metage Capital Limited, a company incorporated in England and Wales.

MEMO means the Metage Emerging Markets Fund, a sub-fund of Metage Funds Limited.

Offer means the offer of up to 100,000,000 fully paid ordinary Shares at an Application Price of $1.00 per Share to raise up to $100,000,000. The Offer includes the WAM Priority Allocation Offer, unless the context requires otherwise.

Opening Date means the date the Offer opens, expected to be 2 June 2014.

Option means an option to be issued a Share with an exercise price of $1.00 expiring 17 March 2016 and otherwise on the terms set out in Section 11.4.

Plan means the dividend reinvestment plan described in Section 11.5.

Portfolio means the portfolio of investments of the Company.

Prospectus means this replacement prospectus dated 29 May 2014 replacing the prospectus dated 16 May 2014 as modified or varied by any supplementary document issued by the Company and lodged with the ASIC from time to time.

Related Body Corporate has the meaning given to that term under Section 50 of the Corporations Act.

Relevant Interest has the meaning set out in the Corporations Act.

Retail Applicant means an Applicant who is not an Institutional Applicant.

Securities have the meaning given in Section 92 of the Corporations Act.

Service Fee means a one off fee of 2.75 cents (inclusive of GST) per Share payable by Applicants to the Applicant's AFSL Holder in respect of the services provided by their AFSL Holder (and any specified adviser or individual broker) in introducing the applicant to the Offer, giving advice in respect of the Offer and dealing in respect of the Offer.

Share means a fully paid ordinary share in the Company.

Shareholder means a registered holder of a Share.

Share Registrar means Boardroom Pty. Limited.

WAM Eligible Participants means shareholders of one or more of WAM Capital Limited (ACN 086 587 395), WAM Research Limited (ACN 100 504 541) and WAM Active Limited (ACN 126 420 719) with a registered address in Australia as at the date of this Prospectus.

WAM Priority Allocation Offer means the priority allocation to WAM Eligible Participants of up to 40,000,000 Shares and 40,000,000 Options under the Offer.

WAM Priority Allocation Offer Application Form means the application form to be used by Applicants who are WAM Eligible Participants to apply for Shares and Options under the WAM Priority Allocation Offer,

12.2. Interpretation

In this Prospectus the following rules of interpretation apply unless the context otherwise requires:

(a) Words and phrases not specifically defined in this Prospectus have the same meaning that is given to them in the Corporations Act and a reference to a statutory provision is to the Corporations Act unless otherwise specified;

(b) The singular includes the plural and vice versa;

(c) A reference to an individual or person includes a corporation, partnership, joint venture, association, authority, company, state or government and vice versa;

(d) A reference to any gender includes both genders;

(e) A reference to clause, section, annexure or paragraph is to a clause, section, annexure or paragraph of or to this Prospectus, unless the context otherwise requires;

(f) A reference to "dollars", "$" or "cents" is to Australian currency;

(g) In this document, headings are for ease of reference only and do not affect its interpretation; and

(h) Except where specifically defined in the Prospectus, terms defined in the Corporations Act have the same meaning in this Prospectus.

12.3. Governing Law

This Prospectus is governed by the laws of New South Wales.

12.4. Approval

This Prospectus has been approved by unanimous resolution of the Directors of the Company.

Dated: 29 May 2014

Jonathan Trollip

Chairman

Corporate Directory

Directors of the Global Value Fund Limited	Jonathan Trollip (Chairman) Chris Cuffe Geoff Wilson Miles Staude
Company Secretary	Mark Licciardo
Manager of the Global Value Fund Limited	Metage Capital Limited 2nd Floor, 210 High Holborn London WCIV 7EU United Kingdom
Lead Manager to the Offer	Taylor Collison Limited Level 16 211 Victoria Square Adelaide SA 5000 Ph: (08) 8217 3900 Fax (08) 8231 3506
Registered Office	Global Value Fund Limited c/- Mertons Corporate Services Pty Limited Level 7, 330 Collins Street Melbourne Victoria 3000
Company website	www.globalvaluefund.com.au
Solicitor to the Offer	Watson Mangioni Lawyers Pty Limited Level 13 50 Carrington Street Sydney NSW 2000 Ph: (02) 9262 6666 Fax: (02) 9262 2626
Investigating Accountant to the Offer	Moore Stephens Sydney Corporate Finance Pty Ltd Level 15 135 King Street Sydney, New South Wales 2000 Ph: (02) 8236 7700 Fax: (02) 9233 4636
Share Registrar	Boardroom Pty Limited Level 7 207 Kent Street Sydney NSW 2000
Stock Exchange Listing	Australian Securities Exchange Listing Code: GVF Ordinary shares GVFO Options