



**QUEENSGATE HOTELS AND LEISURE LIMITED**

(REGISTRATION NUMBER: 1998/013649/06)  
"Queensgate"

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**CAPITAL RAISING**

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**1. INTRODUCTION**

The Directors of Queensgate are pleased to announce that they have successfully negotiated and signed a formal agreement for a R50 million standby equity facility with US based investment fund YA Global Master SPV, Ltd ("Yorkville").

**2. NATURE OF BUSINESS**

Queensgate is a JSE-listed hotel and leisure group that provides business development and management services to the South African hotel and leisure industry.

**3. OVERVIEW OF FUNDING BEING PROVIDED**

The standby equity facility will be in place for 36 months and provides Queensgate with the flexibility to access significant liquidity, through the issue of new shares, at its sole discretion. Under the terms of the agreement, Queensgate is entitled to offer newly issued Queensgate shares for up to a total value of R50 million and in turn Yorkville will be obliged to subscribe for and purchase these new shares. Yorkville's purchase price will be calculated based on the current market price of the Queensgate shares. Any new Queensgate shares issued in terms of the facility will be issued under the Company's existing General Authority to issue shares for cash in terms of the JSE Limited Listings Requirements approved by shareholders at the last Annual General Meeting on 10 February 2009 and will be subject to the renewal of the general authority over the 36 month period.

**4. TERMS OF THE TRANSACTION**

The terms of the facility remain confidential.

SEPTEMBER 2009  
CAPE TOWN

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CORPORATE ADVISOR TO  
QUEENSGATE



FUNDER TO QUEENSGATE

