



Disclosable Transaction Circular in relation to the acquisition of 67.45 per cent. of the issued share capital of Trinity Asset Management (Proprietary) Limited from the QJG Share Trust for a consideration of ZAR 37,095,324.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

For a full appreciation of this Circular, the document should be read in its entirety. If you are in doubt about the action you should take, you should consult your financial adviser, your investment dealer or any other independent adviser immediately.

This Circular is not an invitation to the public to subscribe for shares in Dale Capital Partners Limited. The circular has been prepared for the purpose of complying with the Listing Rules issued by the Stock Exchange of Mauritius Limited as amended in March 2008, more specifically Chapter 13 of the Listing Rules.

9 May 2008

The Stock Exchange of Mauritius Limited assumes no responsibility for the content of this circular, makes no representation as to the accuracy or completeness of any of the statements made or opinions expressed herein and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon the whole or any part of the contents of this circular.

DIRECTORS' STATEMENT

This Circular includes particulars given in compliance with the Stock Exchange of Mauritius Rules governing the Official Listing of Securities for the purpose of giving information with regard to Dale Capital Partners Limited. The directors of Dale Capital Partners Limited, whose names appear on page 8 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts, the omission of which would make any statement herein misleading.

DOCUMENTS AVAILABLE FOR INSPECTION

The original Circular will be available for inspection at Dale International Trust Company Limited, 6th Floor, MaxCity Building, 21 Remy Ollier Street, Port Louis, Mauritius during normal business hours on any weekday (excluding Saturdays and public holidays) from the date of publication of this document up to and including 23 May 2008.

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DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“Acquisition” or “the Acquisition”	the transaction in which Dale acquired 7500 issued ordinary shares in the capital of Trinity for a cash consideration of R37, 095,324;
“Company” or “Dale”	Dale Capital Partners Limited, a company originally incorporated with limited liability in Mauritius on 9 October 2000 under the name of Dale Investments Limited continued in the British Virgin Islands with registered number 1443428 on 7 November 2007 and whose name is proposed to be changed to Trinity Financial Group Limited;
“Directors”	the directors of the Company as at the date of this document, whose details are set out on page 8 of this document;
“Group” or “Combined Group”	the combined businesses of Dale and Trinity following the Acquisition;
“JSE”	the Johannesburg Stock Exchange;
“MUR”	Mauritian Rupees being the currency of Mauritius;
“Official Market”	the Official List of the SEM;
“Ordinary Shares” or “Shares”	ordinary shares of no par value in the capital of the Company;
“QJG Trust”	a trust established in the Republic of South Africa with IT number: 13535/99;
“SEM”	the Stock Exchange of Mauritius;
“Trinity Asset Management” or “Trinity”	Trinity Asset Management (Proprietary) Limited, incorporated in the Republic of South Africa with registered number 1996/10864/07;
“ZAR”	South African Rand being the currency of South Africa.

1. INTRODUCTION

Dale Capital Partners Investment Holdings Limited, a 100 per cent. subsidiary of Dale, has entered into an agreement to acquire 67.45 per cent. of the issued share capital of Trinity from the QJG Trust for a cash consideration of ZAR 37,095,324.

Trinity is a leading specialist asset manager in South Africa with an investment strategy focussed on niche JSE-listed mining and resources companies as well as selected special opportunities investments in other sectors, primarily information technology.

Trinity has an established track-record of using shareholder rights to influence business strategy and decision-making in order to generate significant out-performance for its funds. Its track-record includes prominent roles in the creation of uranium miner Uranium One Inc and ICT infrastructure business Convergenet Holdings Limited.

Under the terms of the transaction Dale has increased its stake in Trinity from 10 per cent. to 77.45 per cent.

2. STRATEGIC RATIONALE

In its Listing Particulars dated 21 December 2007, the Company stated:

“The Directors ... believe that the Company will be advantaged by having a strategic relationship with an investment house which is experienced in investing in public companies with a view to implementing strategic, operational or management initiatives. Dale has therefore chosen to acquire a ten per cent. stake in Trinity Asset Management ..., one of South Africa’s leading specialist asset managers, with c.US\$150m under management. It is envisaged that Dale and Trinity will co-invest on the majority of public market transactions, with Dale benefiting from the proven public market expertise of the Trinity team and in turn contributing its expertise in private equity techniques to the management of the listed company.”

In establishing this strategic relationship it became clear to the directors of both Dale and Trinity that there were further benefits that could be gained through further strengthening the relationship.

The following key benefits were identified:

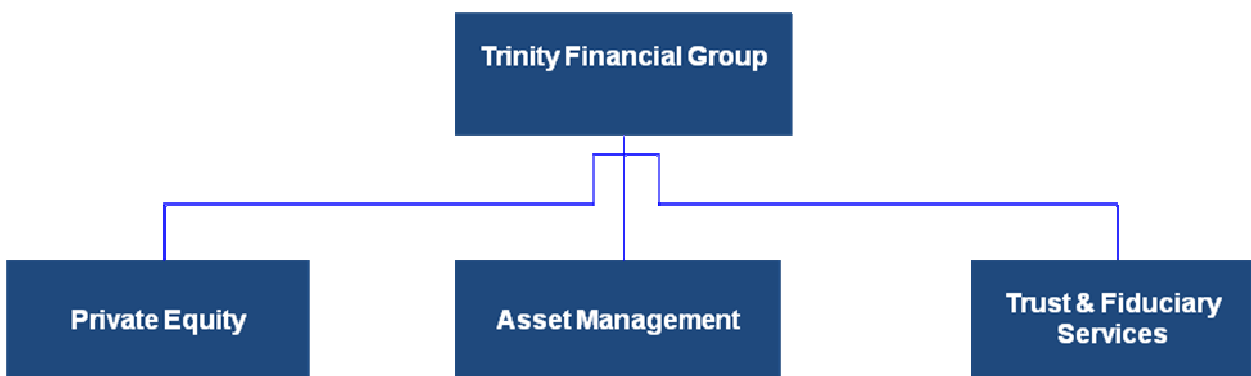
- The combination of management resources allows for a more productive pooling of resources and a more efficiently aligned incentive structure between the two teams.
- The combination of the Trinity and Dale balance sheets increases the capacity to target larger transactions. This benefit has become particularly important given the limited appetite of lenders to fund leveraged transactions against the backdrop of ongoing trauma in global credit markets.
- Exciting potential has also been identified to sell Trinity’s asset management products into the client base of Dale’s Mauritian financial services businesses and to cross-sell the financial services products of these Dale businesses to the Trinity client base.

- Finally, there are opportunities to eliminate overlapping costs, particularly in South Africa where Dale has an “investment control centre” operation.

The decision was therefore taken to acquire an additional stake in Trinity and to re-organise the combined group into a focussed specialist financial services business with operations in private equity (the Dale investment portfolio), asset management (Trinity) and trust and fiduciary services (Dale’s Mauritian-based financial services operations). In addition the decision was taken to capitalise on the established niche brand of Trinity in Southern Africa and to rename the Combined Group Trinity Financial Group Limited. Several subsidiaries will be renamed in line with this approach.

Trinity Financial Group will continue to focus on the Southern African region and the Directors approach will be to aggressively expand in the existing niche business areas in which the Combined Group operates and to make carefully selected acquisitions where these are in line with the strategy of growing a specialist financial services group focussed on the Southern African region.

The diagram below provides an overview of the strategic organisation and operational focus of the combined group.



3. MAIN TERMS

The Transaction

Dale has entered into an agreement to acquire all of the shares in Trinity owned by the QJG Trust Shares (7 500 ordinary shares having a par value of R0.01 each) from the QJG Share Trust for a consideration of R37 095 324.

Effective Date

The effective date of the acquisition is 1 January 2008.

The Acquirer

The acquirer is Dale Capital Partners Investment Holdings Limited.

Consideration

The consideration (including the acquisition costs) for the purchase of all the shares held by the QJG Trust amounted to ZAR 37,095,324.

Value of assets acquired

The value of the assets acquired is ZAR 20,254,191.

Determination of the value

The consideration is based on the following valuation metrics:

- (1) Recent transaction – in November 2007 Dale acquired a minority stake in Trinity for a ZAR5,000,000 consideration. The price at which the additional 67.45 per cent. stake has been acquired is based on this valuation, adjusted for a 10 per cent. “control premium”.
- (2) Earnings multiple – 5x forward warranted profit after tax. This multiple is based on the trading multiples of a basket of comparable companies listed on the JSE.

The Acquisition is deemed to be a Related Party Transaction under the Listing Rules and the Listing Executive Committee therefore required that Dale obtain a Fair and Reasonable opinion from a suitably qualified expert approved by themselves. This opinion was obtained and accepted by the Listing Executive Committee subject to Dale including details of the transaction in its next published annual financial statements, including the identity of the QJG Trust, the value of the consideration for the transaction and all other relevant circumstances, pursuant to Listing Rule 13.25 (b).

Management terms

Under the terms of the Acquisition, Quinton George has committed to remain in the position of Managing Director of Trinity for a minimum period of 5 years and has also been appointed to the role of Joint Managing Director of the Trinity Financial Group.

In a further re-organisation of the Dale / Trinity Financial Group board, John Whatley has moved from the position of CEO of Dale to Joint Managing Director of the Trinity Financial Group and Norman Noland has moved from an executive board position to a non-executive position.

Reinvestment of proceeds

The QJG Trust has reinvested the proceeds of the sale into Dale shares via an asset swap facility approved by the South African Reserve Bank.

Warranties

In addition to warranties that are standard in transactions of this type, the seller has warranted to Dale that Trinity will earn ZAR22,000,000 for the 24 months to February 2010. If these warranties are underachieved Dale is able to “claw-back” up to 50 per cent. of the acquisition price and if they are overachieved the QJG Trust is able to “earn-up” by 50 per cent. of the acquisition price.

4. CORPORATE INFORMATION

The Company

Country of incorporation	British Virgin Islands
Registration number	1443428

Registered Office	Akara Building, 24 de Castro Street Wickhams Cay 1, Road Town Tortola British Virgin Islands
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Directors	
Robert Arien Engels	Non Executive Chairman
Norman Theodore Noland	Non Executive Deputy Chairman
John Whatley	Joint Managing Director
Quinton James George	Joint Managing Director
Charles Edward Pettit	Chief Investment Officer
Kee Chong Li Kwong Wing	Non Executive Director
Dr. Jürg P. (Giorgio) Blum	Non Executive Director
Nigel Hampton McGowan	Non Executive Director

Share capital	Authorised	Issued
Ordinary shares of no par value	Unlimited	5,940,000

5. STATEMENT OF DIRECTORS' INTERESTS

Statement of the interests of the directors of Dale Capital Partners Limited

Directors' interests, directly and indirectly, in the shares of Dale Capital Partners Limited as at 9 May 2008 are set out below.

	NUMBER OF SHARES	ISSUED SHARE CAPITAL
Directors		%
Robert Engels	663,000	11.162
Norman Noland	10,000	0.168
John Whatley	8,010	0.135
Charles Pettit	100	0.002
Nigel McGowan	4,000	0.067
Quinton George	857,976	14.444
Total	1,538,250	25.978

Service contracts

There are no new proposed directors of the issuer.

6. FINANCIAL INFORMATION

Trinity Asset Management (Proprietary) Limited

The audited turnover and profit of Trinity over the last two years were as follows:

	31 March, 2007	31 March, 2006
	ZAR	ZAR
Turnover	14,794,533	1,055,855
Profit before taxation	4,062,365	1,185,319
Profit after taxation	1,762,280	1,464,831

Dale Capital Partners Limited

The audited turnover and profit of Dale over the last two years were as follows:

	28 February, 2007	28 February, 2006
	USD	USD
Turnover	787,075	483,294
Profit before taxation	759,259	2,209,742
Profit after taxation	749,496	2,175,368

7. RELATED PARTY TRANSACTION

Quinton George, a non-executive director of Dale prior to the approval of the Acquisition, is considered to be an associate of the QJG Trust and under the Listing Rules the Acquisition was therefore considered to be a Related Party transaction.

In its assessment of the fairness and reasonableness of the Acquisition the Listing Committee took the following considerations into account:

- An opinion from an independent professional expert stating that the terms of the transaction were fair and reasonable.
- Irrevocable undertakings from a majority of non-related party shareholders to support the Acquisition.
- The fact that the related party has re-invested the sale proceeds into Ordinary Shares as proof that there was no intent to “cash out” at the expense of non-related Shareholders.
- The basis of valuation was the transaction in which Dale subscribed for a 10 per cent. stake in Trinity in November 2007. At that point, Quinton George was not a non-executive director of Dale and the transaction would not have been deemed Related Party under the Listing Rules.

8. FINANCIAL IMPACT ON DALE

The financial impact of this acquisition on the consolidated assets and liabilities of Dale is as follows:

Assets

The value of the assets of Dale will increase by ZAR 20,254,191 million representing the assets acquired by Dale in Trinity.

The consideration of ZAR 37,095,324 has been financed through Dale's existing cash resources.

Liabilities

The liabilities of Dale will increase by ZAR 18,725,773 million, representing the debts of Trinity.

9. LITIGATION

Neither the Company nor any of the Subsidiaries is involved in any governmental, legal or arbitration proceedings and, so far as the Directors are aware, there are no governmental, legal or arbitration proceedings pending or threatened against them, or being brought by the Company or any of the Subsidiaries, during the 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company.

10. CONCLUSION

The directors of Dale Capital Partners Limited consider the terms of the proposed acquisition to be fair and reasonable and in the best interests of the shareholders of the company.

By order of the Board

Dale International Trust Company Limited

6th Floor, Max City Building

21 Remy Ollier Street

Port Louis

Mauritius

Company secretary

9 May 2008

Copies of the circular are available free of charge at the office of Dale International Trust Company Limited, 6th Floor, MaxCity Building, 21 Remy Ollier Street, Port Louis, Mauritius