

19 August 2015

ASX Release - Glennon Small Companies Limited (ASX Code: GC1)

Updated Pro Forma Statement of Financial Position – Actual Funds Raised

The pro forma statement of financial position for Glennon Small Companies Limited (**Company**) set out below has been prepared to illustrate the effects of the pro forma transactions described below as if they had occurred on 12 August 2015:

- Receipt of the actual subscription amount of \$21,687,113 raised by the Company under the Offer under the prospectus dated 3 July 2015 (**Prospectus**)
- Payment of the estimated Offer related expenses (which have been deducted from the cash amount)

Terms defined in this announcement have the meaning given in the Prospectus.

The pro forma statement of financial position has been prepared on the basis of the following assumptions:

- The expenses relating to the Offer (including the Offer Mangers' fees, professional adviser fees, and Share Registry fees) are recorded as a liability.
- Income tax benefits accruing from the deductibility of expenses incurred in connection with the Offer have been taken into account assuming that future taxable income will be earned by the Company
- The Company will be registered for GST in Australia and eligible to claim reduced input tax credits in accordance with the GST Act on eligible expense incurred in connection with the Offer
- Future income tax benefits are applied to expenses, net of any GST refundable. It has been assessed that it is probable that future taxable amounts will be available to utilise these temporary losses. The tax benefit is calculated at the prevailing company tax rate which is currently 30%.

The pro forma statement of financial position has been prepared on the basis of the accounting standards and policies set out in section 8 of the Prospectus.

	Actual Subscription
	\$21,687,113
Assets	
Cash	21,687,632.99
GST Receivable	3,016.84
Deferred Tax Asset	207,333.41
Total Assets	21,897,983.24
Liabilities	
Management fee payable	8,763.22
Administration fees payable	5,688.75
Audit fee payable	4,583.33
Custody fee payable	1,332.50
Directors Fee Payable	8,333.33
Registry fees payable	6,703.95
Tax Fees payable	1,833.33
Other fees Payable	858,428.12
Current tax liability	-60,305.51
Total Liabilities	835,361.04
Net Assets	21,062,622.20
Equity	
Issued shares and options	21,687,113.00
Less cost of fundraising	-599,107.86
Retained earnings	-25,382.94
Total Equity	21,062,622.20
NTA per share	0.971

Management Agreement

The Company refers to the Management Agreement with Glennon Capital Pty Limited (**Manager**) under which the Manager provides investment management services to the Company (**Management Agreement**). The Company has undertaken to ASX that it will obtain the approval of ordinary shareholders for any material changes to the Management Agreement.