

27th February 2013

Cadence Capital Limited Announces Supplementary Prospectus

On the 18th February 2013, the Board of Cadence Capital Limited (**Company**) issued a Prospectus for the placement of up to 29,457,060 new ordinary shares in the capital of the Company (**New Shares**), with 6,000,000 of these New Shares set aside as a priority allocation to existing shareholders. The Board is undertaking the placement under the Prospectus (**Offer**) in response to interest in the Company from advisors, financial planners, existing shareholders and the general public.

On the 15th February 2013 shareholders voted overwhelmingly in favour of the proposed issue of 29,457,060 New Shares.

Market interest in Listed Investment Companies and the Company in particular, through a combination of strong performance and growing fully franked dividends, has been far greater than anticipated by the Board when Shareholder approval was sought for the Offer in early February. To date the Company has already received applications or indications in excess of the maximum number of New Shares that are available under the Prospectus.

We consider it is in the best interests of all Shareholders to grow the Company for the reasons outlined in the Prospectus, and on this basis intend to seek approval from Shareholders to increase the size of the Offer. Subject to Shareholder Approval, the Company will issue up to a further 20,979,021 New Shares under the Offer (**Second Tranche**). The second tranche will include a second priority allocation of 2,000,000 New Shares to existing Shareholders. A General Meeting will be held in early April 2013 to approve the issue of New Shares under the Second Tranche of the Offer. A notice for this General Meeting will be sent to shareholders.

As a result of the change of Offer, **the record and payment dates of the Half Year Dividend of 6 cents per Share (announced by the Company on 14th February 2013) will be delayed until 23 April 2013 and 30 April 2013 respectively.** As a result New Shares issued under the Second Tranche will participate in the Half Year Dividend.

Full details of these changes and a copy of the Supplementary Prospectus will be available as soon as practically possible.

We would like to thank all advisors, financial planners, existing and new shareholders for the interest shown in our Company and will work towards completion of the necessary paperwork and processes in a timely manner.

Regards

Karl Siegling
Chairman