

ALTERNATIVE LIQUIDITY FUND LIMITED

Registered in Guernsey – Number 60552
LEI NUMBER 213800R5CHD76J3LU713

Registered Office:
Sarnia House, Le Truchot,
St Peter Port, Guernsey, GY1 1GR

For immediate release

12 December 2017

PORTFOLIO UPDATE

As noted in the Company's recent annual reports and accounts, the Board has been exploring options to grow the Company with its new investment manager, Warana Capital, LLC. Following encouraging feedback from existing and potential investors, the Board is now able to announce plans to increase the size of the Company through the issue of a new class of shares.

It is proposed that the proceeds of the new class of shares will be invested in a diversified portfolio to provide investors with attractive risk-adjusted returns by acquiring investments at discounts to their perceived and/or reported fair value.

The Board intends to issue a prospectus in respect of a placing, offer for subscription and placing programme early in the New Year.

It is proposed that the existing ordinary shares of the Company will remain invested in the existing portfolio of investments and will be reclassified as "Realisation Shares" to reflect the Board's policy to return cash from the proceeds of such investments as it arises.

The Board will also send a circular to the shareholders in early January to convene a meeting to approve amendments to the current articles of association to provide for the new share class and investment policy.

The Company expects to make a further announcement regarding the transaction when the formal documents are ready for publication.

The Company has received US\$6 million in cash from underlying investments over the past month and anticipates that further funds may be received over the coming month. The Board therefore intends to make a distribution to shareholders, details of which will be provided in the New Year.

All Enquiries

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.