



GLOBAL MASTERS FUND LIMITED

Entitlement offer booklet

Global Masters Fund Limited ABN 84 109 047 618 (ASX: GFL)

One for 4 renounceable rights issue of up to 2,144,649 new fully paid ordinary shares at \$2.00 per share

This document is important and requires your immediate attention. It is accompanied by an Entitlement and Acceptance Form. Both documents should be read in their entirety. If you are in doubt as to the course you should follow, you should consult your broker or other professional advisor without delay.

Applications under the Entitlement Offer close at 5.00pm Australian Eastern Standard Time on Wednesday 25 October 2017

Not for distribution or release in the United States or to, or for the account of benefit of, U.S. persons

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Important Notice

This Entitlement Offer Booklet and the Entitlement and Acceptance Form are issued by Global Masters Fund Limited (**GMF**). The Entitlement Offer Booklet is dated 9 October 2017. The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow certain rights issues to be made without a prospectus. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission (**ASIC**). As a result, it is important for Eligible Shareholders to read and understand the information on GMF and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. Please read this Entitlement Offer Booklet including the Chairman's letter in its entirety along with the ASX Entitlement Offer announcements, the Entitlement and Acceptance Form and other information about GMF published on asx.com.au before making a decision whether or not to acquire New Shares. If you are in doubt as to the course you should follow, you should consult your broker or other professional advisor without delay.

This Entitlement Offer Booklet, including the Chairman's letter, ASX Entitlement Offer announcements and the Entitlement and Acceptance Form, do not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this Entitlement Offer Booklet and anything contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. Persons. None of this Entitlement Offer Booklet, the Chairman's letter, the ASX Entitlement Offer announcements nor, the Entitlement and Acceptance Form may be distributed to or released in the United States. The New Shares offered in the Entitlement Offer have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, or sold, or resold, in the United States or to, or for the account or benefit of, any U.S. Persons, except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

Forward looking statements, opinions, estimates provided in this Entitlement Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on the interpretations of current market conditions. Forward looking statements including projections, guidance on future revenues, earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No guarantees as to future performance of, or future return from, GMF or an investment in New Shares can be given by GMF or by any Director or officer of GMF. Investment in shares is inherently subject to investment and other risks of loss of income and principal invested. GMF will forward all Applications it receives to the Intermediary. This Intermediary will deposit and deal with the Applications pursuant to this Entitlement Offer. The Intermediary's function should not be considered as an endorsement of the Offer nor a recommendation of the suitability of the Entitlement Offer for any investor. The Intermediary does not guarantee the success or the performance of GMF or the returns (if any) to be received by investors. See the Glossary for defined terms used in this Offer Entitlement Booklet.

Chairman's letter

9 October 2017

Dear Shareholder,

One for 4 Pro-rata Renounceable Rights Issue at \$2.00 per share (Issue)

Global Masters Fund Limited (the "Company") was listed on the ASX in 2006 with the strategy to provide a vehicle for Australian investors, seeking long-term capital growth through investing in overseas equities. The initial investments were in Berkshire Hathaway Inc., listed on the New York Stock Exchange (NYSE) and Athelney Trust listed in the UK with other UK assets added more recently. The Company's policy is not to hedge the underlying currencies of its portfolio of global investments.

Administration of the portfolio is provided by EC Pohl & Co Pty Ltd ("Manager") and there is no fee payable to the Manager for the administration of the existing investments in Berkshire Hathaway and Athelney Trust. However, for the new mandate given to the Manager (excluding the existing investments), a fee is payable for good performance and active management in terms of a pre-determined formula. The intention of this new mandate is to provide the Company with an exposure to UK small and mid-cap growth companies.

While the portfolio will be constantly monitored and reviewed by the Board and its advisers, it is the sole responsibility of the Manager to manage the portfolio. Recent surveys and data from independent research firms confirm the long-term excellent track record for the Company and its investment strategy.

The Directors believe that this investment strategy and the investment philosophy as implemented by the Manager will continue to provide excellent returns for the Company and confirm that Directors of the Company will be taking up their rights and are pleased to invite you to invest with us, although we recommend you read this document in detail to assist you in making this decision.

Yours sincerely



Jonathan Addison
Chairman

1 Important information on the Offer

Key Dates for the Entitlement Offer

Event	Date
Entitlement Offer announced	Monday 9 October 2017
Entitlements under Entitlement Offer commence trading on a deferred settlement basis	Wednesday 11 October 2017
Record Date to determine eligibility to participate in the Entitlement Offer	Thursday 12 October 2017
Information Booklet and Entitlement and Acceptance Forms despatched	Monday 16 October 2017
Entitlement Offer opens	Monday 16 October 2017
Entitlements under Entitlement Offer commence trading on a normal settlement basis	Tuesday 17 October 2017
Entitlement trading under Entitlement Offer on ASX ends	Wednesday 18 October 2017
Entitlement Offer Closes	Wednesday 25 October 2017
Shortfall Bookbuild (if any)	Friday 27 October 2017
Announcement of Shortfall (if any)	Monday 30 October 2017
Settlement of Entitlement Offer (including Shortfall Bookbuild)	Wednesday 1 November 2017
Issue of New Shares under the Entitlement Offer	Wednesday 1 November 2017
Trading of New Shares issued under the Entitlement Offer expected to commence on ASX on a normal settlement basis	Thursday 2 November 2017
Holding Statements sent to Shareholders	Monday 6 November 2017
Premium (if any) despatched	Tuesday 7 November 2017

Note: The timetable above is indicative only and subject to change. GMF reserves the right to amend any or all of these events, dates and times subject to the *Corporations Act 2001* (Cth) (Corporations Act), the ASX Listing Rules and other applicable laws. In particular, GMF reserves the right to extend the closing date of the Entitlement Offer, to accept late applications either generally or in particular cases or to withdraw the Entitlement Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX. All references in this Information Booklet are to Sydney, Australia time.

Enquiries

If you have any questions, you should seek advice from your stockbroker, accountant or other independent professional adviser, or call the GMF Offer Information Line on 07 5644 4402 (within Australia) or +61 7 5644 4400 (outside Australia) at any time between 8:30am and 5:00pm (Sydney time) on Monday to Friday during the Entitlement Offer period.

Entitlement Offer

The Entitlement Offer is an offer of approximately 2,144,649 New Shares at the Offer Price of \$2.00 per New Share. All Eligible Shareholders are entitled to subscribe for one New Share for every four existing Shares held at 7:00pm AEST on the Record Date.

The Entitlement Offer comprises

Entitlement Offer

Eligible Shareholders are now being invited to take up all or part of their Entitlements. Those Entitlements can be traded on ASX (or transferred directly to another person) in whole or in part.

Shortfall Bookbuild

Entitlements not taken up under the Entitlement Offer and Entitlements that would have been issued to Ineligible Shareholders had they been entitled to participate in the Entitlement Offer will be offered for sale through the Shortfall Bookbuild. The amount realised for those Entitlements (the Premium), if any, will be remitted proportionally to holders of those Entitlements at the close of the Entitlement Offer, and to Ineligible Shareholders. The Premium, if any, is expected to be paid on or about 7 November 2017.

The Entitlement Offer closes at 5:00pm AEST on Wednesday 25 October 2017. New Shares will be issued on a fully paid basis and will rank equally with existing Shares on issue.

Terms of Issue

The New Shares will trade under the Company's ASX Code of 'GFL' for Existing Shares and will rank equally in all respects with Existing Shares.

Placing Agents

The Issue is not underwritten. The Company will appoint Placing Agents to the Issue.

Dividends and Underlying Earnings per share

The Company does not pay dividends.

The underlying earnings per existing share in respect of each of the last five completed financial years are as follows:

Year ended 30 June	Dividends (cents per share)	Underlying Earnings (cents per share)
2017	0.00	0.80
2016	0.00	0.01
2015	0.00	0.18
2014	0.00	0.83
2013	0.00	(0.43)

Underlying earnings per share excludes both special dividends received by the Company and net realised capital gains or losses on long term investments.

Investment Performance

The Company's performance is as follows:

Periods ended 30 June 2017	GMF Net Asset Backing % p.a.	GMF Share Price % p.a.	S&P ASX 300 Accumulation Index % p.a.
1 Year	11.22	48.53	13.82
3 Years	11.34	17.04	6.64
5 Years	16.82	25.45	11.63
10 Years	6.90	6.46	3.44

Record date and Entitlements to New Shares

The record date to determine entitlements to New Shares is 7.00pm AEST on 12 October 2017 (**Record Date**).

Shareholders entered in the register of members of the Company will be entitled to one New Share for every four Existing Shares held as at the Record Date (**Entitlement**).

In calculating Entitlements to New Shares, fractional Entitlements will be rounded down to the nearest whole share. Shares held on separate sub-registers for the same holder will not be aggregated. If you have more than one registered holding of Existing Shares, you will be sent a personalised Entitlement and Acceptance Form for each separate holding.

Information on dealing with your Entitlement is set out below.

Share capital on completion of the Issue

On completion of the Issue, on the assumption that it is fully subscribed, the share capital of the Company will be approximately 10,723,245 shares, comprising 8,578,596 Existing Shares and approximately 2,144,649 New Shares.

The Company has no unquoted securities.

Rights Trading

Trading in rights to the New Shares will occur on the Australian Securities Exchange (**ASX**) from Tuesday 17 October 2017 to Wednesday 18 October 2017.

The closing date for acceptances and payment of \$2.00 for each New Share under the Entitlement Offer is 5.00pm AEST on Wednesday 25 October 2017.

Who is eligible to participate

Shareholders with addresses in Australia and New Zealand who are not in the United States or a U.S. Person or acting for or on account of U.S. Persons are eligible to participate (**Eligible Shareholders**).

Shareholders with addresses in countries other than Australia and New Zealand will not be eligible to participate because the Company has decided it is not reasonable to offer securities to persons in other countries having regard to the number of shareholders in each country, the number and value of the securities that would be offered to them, and the cost of complying with the laws of such other country

(Ineligible Shareholders). However, GMF intends to appoint a nominee to act on its behalf to seek to arrange for the sale of the Entitlements of those shareholders and to pay such shareholders the net proceeds of sale (if any) in Australian dollars.

Dealing with your Entitlement

You may apply for New Shares in respect of all or some of your Entitlement, sell some or all of your Entitlement (subject to the availability of buyers), or do nothing. The Entitlements will trade on the ASX during the rights trading period under a separate ASX code 'GFLR'.

If you wish to sell all or part of your Entitlement during the rights trading period you should contact your broker or other professional advisor during that period.

Should you wish to purchase additional rights to New Shares during the rights trading period, please contact your broker or other professional advisor.

To accept all or part of your Entitlement your completed Entitlement and Acceptance Forms must be lodged with the Share Registry (whose address will be on the Form) by 5.00pm AEST on Wednesday 25 October 2017 together with a cheque (or payment can be made by BPay) for the amount due in respect of the New Shares taken up.

To transfer your Entitlement to another person, you should complete a standard renunciation form (obtainable from your broker or other professional advisor or the Share Registry) and send it with the Entitlement and Acceptance Form to the Share Registry by 5.00pm AEST on Wednesday 25 October 2017.

If during the rights trading period you buy additional rights, including through an online broker or by off-market transfer, please contact the Share Registry, obtain an acceptance form, and send the completed form, cheque and a copy of the contract note to the Share Registry by 5.00pm AEST on Wednesday 25 October 2017.

Process for dealing with Shortfall

To the extent that Entitlements are not taken up (**Shortfall**), at the discretion of the Company they may be placed after the conduct of a bookbuild by the Placing Agents, to Eligible Shareholders or new professional or sophisticated investors. Any net proceeds from such sale (being the gross proceeds from the sale less the offer price and the fees and other costs of the Placing Agents) will be distributed in due proportion among the shareholders whose Entitlements were neither sold nor taken up. Neither the Company nor the Placing Agents will be liable for any failure to arrange for the issue of any New Shares in respect of Entitlements neither sold nor taken up by the closing date at a particular price or time, or at all. **As there can be no guarantee that there will be any net proceeds, it is important that Eligible Shareholders take action either to take up or sell their Entitlements.**

Should you wish to purchase additional New Shares through the Shortfall bookbuild, please contact the Company Secretary who will direct you to one of the Placing Agents.

Please read the Entitlement Offer Booklet carefully and consult your broker or other professional advisor to evaluate whether or not to participate in the Entitlement Offer.

Your Directors have confidence in the future of Global Master Fund Limited, and commend the Issue to you.

2 Action required by Eligible Shareholders

The number of New Shares to which you are entitled is shown on the Entitlement and Acceptance Form accompanying this Entitlement Offer Booklet.

2.1 If you wish to take up all of your Entitlement

If you use the Bpay® facility for all your Entitlement you do not need to complete the accompanying Entitlement and Acceptance Form provided your payment is received no later than 5.00pm AEST on Wednesday 25 October 2017.

Alternatively complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the Form. Forward your completed Form together with your cheque for the amount shown on the Form, to reach the Share Registry no later than 5.00pm AEST on Wednesday 25 October 2017. Cheques should be made payable to 'Global Masters Fund Limited' and crossed 'Not Negotiable'. Shareholders located in Australia may use the reply paid envelope enclosed with this Entitlement Offer Booklet.

2.2 If you wish to sell all of your Entitlement on the ASX

If you wish to sell your Entitlements you should contact your broker or other professional advisor. Please note that quotation of rights on the ASX will commence on Tuesday 17 October 2017. The Entitlements will trade on the ASX during the rights trading period under the ASX code 'GFLR'. Sale of your Entitlement must be completed by close of trading on Wednesday 18 October 2017, when rights trading ceases.

2.3 If you wish to sell part of your Entitlement on the ASX and take up the balance of your Entitlement

If you wish to sell part of your Entitlement contact your broker or other professional advisor and follow the steps in paragraph 2.1 for the part of your Entitlement that you wish to take up. Please note that quotation of rights on the ASX will commence on Tuesday 17 October 2017. The Entitlements will trade on the ASX during the rights trading period under the ASX code 'GFLR'. Sale of part of your Entitlement must be completed by close of trading on Wednesday 18 October 2017, when rights trading ceases.

2.4 If you wish to transfer your Entitlement to another person other than on the ASX

Forward a completed standard renunciation form(s) (obtainable from your broker or other professional advisor or from the Share Registry) together with your Entitlement and Acceptance Form to the Share Registry so as to reach the Share Registry no later than 5.00pm AEST on Wednesday 25 October 2017.

2.5 If you wish to purchase additional rights to New Shares

Should you wish to purchase additional rights to New Shares during the rights trading period, please contact your broker or other professional advisor. If an Eligible Shareholder buys additional rights or any other person (not an Eligible Shareholder) buys any rights, including through an online broker or by off-market transfer, it is the buyer's responsibility to contact the Share Registry, obtain an acceptance form, and send the completed form/cheque/copy contract note to the Share Registry by 5.00pm AEST on Wednesday 25 October 2017.

2.6 Payment for New Shares

Payments made by cheque must be in Australian currency in favour of 'Global Masters Fund Limited' and crossed 'Not Negotiable'. Payments may also be made by Bpay® using the biller code and your reference number as described in the Entitlement and Acceptance Form. Cash

payments will not be accepted. Receipts for payments will not be issued. Any Application Monies received for more than your Entitlement will be refunded to you as soon as practicable. No interest will be paid to Applicants on any Application Monies received or refunded.

2.7 Entitlement not taken up

Please see the information under paragraph 3.11 'Process for dealing with the Shortfall' for information in relation to how the Company may deal with the Shortfall arising from Entitlements not taken up. It is important that Eligible Shareholders who do not take up or sell their Entitlements are aware that they may not receive any benefit from the Entitlement Offer. Should you wish to purchase additional New Shares through the Shortfall Bookbuild, please contact the Company Secretary who will direct you to one of the Placing Agents.

2.8 Representations

By completing and returning your personalised Entitlement and Acceptance Form with a cheque for Application Monies or making a payment by Bpay®, you will be deemed to have represented:

- (a) that you are an Eligible Shareholder; and
- (b) on behalf of each person on whose account you are acting that: (i) you are not in the United States and are neither a U.S. Person nor acting for the account or benefit of a U.S. Person; (ii) you acknowledge that the New Shares have not been and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws; and (iii) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or that is, or is acting for the account or benefit of, a U.S. Person.

2.9 Enquiries

If you have any queries regarding your Entitlement, please contact Boardroom Limited by telephone on 1300 737 760 (International: +61 2 9290 9600) or your broker or other professional advisor.

3 Details of the Entitlement Offer

3.1 Purpose of the Capital Raising

The funds of up to approximately \$4.3 million sought to be raised by the Entitlement Offer (after allowing for the Costs of the Issue) will be invested in UK listed small and midcap companies in accordance with the Manager's investment strategy.

The Directors see advantages in the Company raising additional funds in order to undertake investments consistent with the investment objectives and guidelines outlined in this document in a portfolio of small and midcap listed UK companies and to pay the costs of the Offer.

3.2 Entitlement Offer

Shareholders who are registered at the Record Date, being 7.00pm AEST on 12 October 2017 and whose registered addresses are in Australia and New Zealand will be offered the renounceable right to acquire New Shares in the ratio of one New Share for every four Existing Shares then held at a price of \$2.00 per New Share. Approximately 2,144,649 New Shares will be issued to raise up to approximately \$4.3 million (after allowing for the Costs of Issue).

Your Entitlement to New Shares is shown on the accompanying Entitlement and Acceptance Form. In calculating Entitlements to New Shares, fractional Entitlements have been rounded down to the nearest whole share. Shares held on separate sub-registers for the same holder have not been aggregated. If you have more than one holding of Existing Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If permission is given for official quotation, the New Shares will trade under the same ASX code GFL and New Shares will equally in all respects with Existing Shares.

The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Existing Shares on behalf of a U.S. person.

GMF reserves the right to reduce the number of New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders if their Entitlement claims prove to be overstated, or to decline to issue New Shares to Eligible Shareholders or their nominees who fail to provide information requested to substantiate their Entitlement claims or to other persons if GMF considers, in its absolute discretion, that an issue of New Shares to such person may cause GMF to breach any law.

The closing time and date for acceptance of the Entitlement Offer is 5.00pm AEST on Wednesday 25 October 2017.

The Offer Price for New Shares is payable in full on application.

3.3 Placing Agents

Brokers who assist with placing the shortfall will receive a total fee of 1.5% of the amount paid for New Shares issued via a Shortfall Bookbuild. This fee will be payable out of the proceeds of the sale of such New Shares to the extent that the proceeds exceed the Offer Price (and otherwise will be paid by the Company in part or in whole where the proceeds of the sale for New Shares under the Shortfall Bookbuild are less than \$2.06 per New Share). Shares will not be sold for less than \$2.00 in the Shortfall Bookbuild.

3.4 Rights of New Shares

The New Shares will trade under the Company's ASX Code of 'GFL' for Existing Shares and will rank equally in all respects with Existing Shares.

3.5 Rights trading and ASX quotation

The rights to the New Shares are renounceable. Subject to ASX approval, rights trading will occur on the ASX from Tuesday 17 October 2017 to Wednesday 18 October 2017.

3.6 Market price

The latest available market sale price of the Existing Shares on the ASX at close of trading on 6 October 2017 was \$2.24, being the last business day prior to the announcement of the Issue.

3.7 Minimum subscription

There is no minimum subscription in relation to the Issue.

3.8 Issue

No issue of New Shares will be made until the proceeds for payment of the Issue have been received and permission is granted for quotation of the New Shares on ASX. If ASX does not permit quotation, the Application Monies will be refunded in full. Interest will not be paid on any refunds.

It is expected that New Shares will be issued on or about 1 November 2017. Following the issue of the New Shares under this Entitlement Offer Booklet, successful Applicants will be sent an Issuer Sponsored Holding statement or Broker Sponsored statement that sets out the number of New Shares issued to that person. These statements are expected to be issued on or after 6 November 2017.

3.9 Underwriting and expenses of the Issue

The issue will not be underwritten. The Costs of the Issue payable by GMF, are estimated to be approximately \$60,000. The Costs of the Issue are described in the Glossary at the rear of this booklet.

3.10 Foreign jurisdiction

Shareholders with addresses in countries other than Australia and New Zealand will not be eligible to participate in the Entitlement Offer because the Company has decided it is not reasonable to offer securities to persons in other countries having regard to the number of shareholders in each country, the number and value of the securities that would be offered to them and the cost of complying with the laws of such other country.

This Entitlement Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia. The distribution of this Entitlement Offer Booklet (including an electronic copy) outside Australia and New Zealand is restricted by law. If you come into possession of this Entitlement Offer Booklet or information about the Entitlement Offer, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

This Entitlement Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to Existing Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This Entitlement Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a prospectus under New Zealand law and is not required to, and may not, contain all the information that a prospectus under New Zealand law is required to contain.

The taxation treatment of Australian securities is not the same as for New Zealand securities. Investment in New Shares may involve a currency exchange risk as they will be quoted on the ASX in Australian dollars.

The Entitlements and the New Shares have not been, nor will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States, persons who are U.S. Persons, or persons who are acting for the account or benefit of a U.S. Person, and the New Shares may not be offered, sold or resold in the United States or for the account or benefit of, a U.S. Person, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

For the above reasons, no Entitlement and Acceptance Forms are being sent to any person whose registered address is in any country other than Australia and New Zealand. GMF is not required to determine whether or not any registered holder is acting as a nominee of, or identify the residence of, any beneficial owners of Existing Shares. Where any holder is acting as a nominee for a foreign person that holder in dealing with its beneficiary will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.

The Entitlements of shareholders who are not Eligible Shareholders will be issued to and sold (provided there is an available market for them and a premium over the expenses of sale can be obtained) by a nominee appointed by GMF and approved by ASIC, at prices and in the manner determined by the nominee in its discretion for the benefit of those shareholders. Neither GMF nor the nominee will be liable for any failure to sell the rights at a particular price or time, or at all. The net proceeds of any sale will be distributed in Australian dollars to shareholders on whose behalf the rights were sold. If the nominee considers that there is not an available market for the rights, unless the Company elects to deal with them under the process for dealing with the Shortfall, the Entitlements will be allowed to lapse.

3.11 Process for dealing with Shortfall

If there is a Shortfall, the Shortfall may be placed, at the discretion of the Company after the conduct of a Shortfall Bookbuild by the Placing Agents, to Eligible Shareholders or new professional or sophisticated investors. Any net proceeds from such sale (being the gross proceeds from the sale less the Offer Price and the fees and other costs of the Placing Agents) will be distributed in due proportion to the shareholders whose Entitlements were neither sold nor taken up by the closing date.

Neither the Company nor the Placing Agents will be liable for any failure to arrange for the issue of any New Shares in respect of Entitlements neither sold nor taken up by the closing date at a particular price or time, or at all. **As there can be no guarantee that there will be any net proceeds, it is important that Eligible Shareholders take action either to take up or sell their Entitlements.**

Should you wish to purchase additional New Shares through the Shortfall Bookbuild, please contact the Company Secretary who will direct you to one of the Placing Agents.

4 Investment Policy and Performance

4.1 Investment Objective

The investment objective is to provide the Company with moderate to high portfolio returns over the long-term through investments in Berkshire Hathaway, Athelney Trust and active management of a portfolio of UK small and midcap listed investments.

4.2 Investment Strategy

The Manager's investment strategy is built on the belief that it is an allocator of capital and the economics of a business drives long-term investment returns. The Manager invests in what it believes are high quality businesses that have the ability to generate predictable, above average economic returns.

The focus of this investment philosophy is to invest in companies that exhibit the following criteria:

- high returns on equity;
- are able to grow revenues above Gross Domestic Product; and
- do not hold large amounts of debt on their balance sheet (low capital intensity).

It is important to note that the Manager will not acquire every business that meets the above criteria. A disconnect exists between the price of an investment and the value of that investment which requires the Manager to be disciplined in the price it is willing to pay for earnings. The combination of purchase discipline, and the appropriate investment due diligence, is a crucial part of the investment process.

4.3 Investment Portfolio

The investments of the Company at 30 September 2017 were as follows:

Name of company	Percentage of total portfolio
Berkshire Hathaway (NYSE) (BRK)	73.8
Flagship Investments Limited (ASX) (FSI)	12.1
Athelney Unit Trust PLC (LSE) (ATY)	8.5
Other UK	2.5
Cash	3.1

4.4 Underlying Earnings per Existing Share

The underlying earnings per Existing Shares in respect of each of the last 5 completed financial years are as follows:

Year Ended 30 June	Dividends (cents per share)	Underlying earnings (cents per share)
2017	0.00	0.80
2016	0.00	0.01
2015	0.00	0.18
2014	0.00	0.83
2013	0.00	(0.43)

Underlying earnings per share excludes both special dividends received by the Company and net realised capital gains or losses on long term investments.

4.5 Net Tangible Asset Backing

GMF's net tangible asset backing per share (based on investments at market values, after provision for tax on net realised gains but not on unrealised gains and before provision for the final dividend) has moved over the last 5 five years as follows:

30 June 2017	196.20 cents
30 June 2016	176.40 cents
30 June 2015	166.52 cents
30 June 2014	142.16 cents
30 June 2013	122.77 cents

The unaudited net tangible asset backing of GMF's ordinary shares at 30 September 2017 was \$2.06. This net asset backing calculation is based on investments at market value, is after tax on realised gains, before any future tax benefit of realised losses, and before estimated tax on net unrealised gains/losses. GMF is a long-term investor and does not intend disposing of its portfolio. However, under current accounting standards the Company is required to provide for estimated tax on any net gains that would arise on such a theoretical disposal. After deducting this provision, the above figure at 30 September 2017 would be \$1.81 per share.

4.6 Performance

The Company's performance is as follows:

Period ended 30 June 2017	GMF Net Asset Backing % p.a.	GMF Share Price % p.a.	S&P ASX 300 Accumulation Index % p.a.
1 Year	11.22	48.53	13.82
3 Year	11.34	17.04	6.64
5 Years	16.82	25.45	11.63
10 Years	6.90	6.46	3.44

The Company's net asset backing accumulation performance is after all expenses, tax, and the impact of the Company's gearing. Such items are not included in the S&P/ASX indices.

5 Risk factors

There are a number of factors, both specific to GMF and of a general nature, which may affect the future operating and financial performance of GMF and the value of an investment in GMF. Some of these factors can be mitigated by appropriate commercial action. However many are outside the control of GMF and are dependent on the policies adopted and approaches taken by regulatory authorities or otherwise cannot be mitigated. This section describes some of the risks associated with an investment in GMF.

Before deciding to invest in GMF, prospective investors should consider carefully the following factors, as well as the other information contained in this Entitlement Offer Booklet and, if they consider appropriate, take professional advice from their broker or other professional advisor.

5.1 General risk factors

General factors which may have a significant impact on the future performance of GMF include:

- (a) domestic and international economic conditions;
- (b) the level of interest rates;
- (c) movements in foreign exchange rates;
- (d) any changes which may occur to the taxation of company income and capital gains;
- (e) any changes to the system of dividend imputation in Australia;
- (f) the impact of the global security situation, possible terrorist disturbances and possible pandemics; and
- (g) regulatory and Governmental policy changes.

5.2 Risk factors specific to GMF

Company specific factors which may have a significant impact on the future performance of GMF include:

- (a) the success of the investment strategies of GMF;
- (b) the performance of Berkshire Hathaway and Athelney Unit Trust PLC and the market prices of these stocks in which GMF primarily invests; and
- (c) exchange risk. With approximately 75% of GMF's investments in US stock and approximately 8% in UK stock, changes in the exchange rate between the USD/GBP and AUD will significantly impact (positively and negatively) the value of GMF's investments and share price.

6 Additional Information

6.1 Nature of this Entitlement Offer Booklet

This Entitlement Offer Booklet relates to an Entitlement Offer for continuously quoted securities. The information in this Entitlement Offer Booklet principally concerns the terms and conditions of the Entitlement Offer and information necessary to make an informed assessment of:

- (a) the effect of the Issue on GMF; and
- (b) the rights and liabilities attaching to the New Shares.

This Entitlement Offer Booklet does not include all of the information that would be included in a Prospectus for an initial public offering of securities in an entity not already listed on the ASX. GMF has been listed on the ASX since 2006. During this time GMF has been subject to disclosure requirements under the Corporations Act and the Listing Rules.

GMF has, since listing, provided the ASX with a substantial amount of information regarding its activities and that information is publicly available at asx.com.au. This Entitlement Offer Booklet is intended to be read in conjunction with that publicly available information. Investors considering the sale or acceptance of their rights, and taking up their Entitlement to New Shares, should therefore also have regard to that publicly available information before making an investment decision.

This Entitlement Offer Booklet contains general information only, which has been prepared without taking account of the objectives, financial situation or needs of any particular person. Because of that, before acting on the Entitlement Offer Booklet, any prospective investor should consider the appropriateness of the information to their objectives, financial situation and needs and consult a professional advisor where necessary.

6.2 Regular reporting and disclosure obligations

GMF is a disclosing entity for the purposes of the Corporations Act. As such it is subject to regular reporting and disclosure obligations including under the Listing Rules. The Listing Rules require GMF to notify ASX of information about specified events and matters as they arise for the purposes of the ASX making that information available to the financial market conducted by the ASX. In particular, GMF has an obligation (subject to certain limited exceptions) to notify the ASX immediately of any information of which it becomes aware concerning GMF which a reasonable person would expect to have a material effect on the price or value of its shares. All such disclosures are available at www.asx.com.au. You have the opportunity to access any information about GMF which has previously been disclosed to ASX. In particular, please refer to GMF's Annual Report for the year ended 30 June 2017. You should also have regard to any further announcements which may be made by GMF to ASX after the date of this Entitlement Offer Booklet.

6.3 Effect of the Issue on GMF

The Directors see advantages in the Company raising additional funds in order to undertake investments consistent with the investment objectives and guidelines outlined in this document in a portfolio of small and midcap listed UK companies and to pay the costs of the Offer.

The Issue will also provide shareholders with the opportunity to increase their investment in the Company, will lower the management expense ratio and may increase liquidity in the trading of the Company's shares.

When the funds are received from the issue of New Shares it is the current expectation that the Company is likely that these funds will be fully invested within two months.

The effect on GMF of the offer to shareholders made under this Entitlement Offer Booklet is dependent on the success of the Issue. If all the New Shares had been issued on **30 June 2017**, the offer would have resulted in the issued capital and net asset backing per share of GMF altering approximately as shown below:

Issued Capital	Number	Share Capital
Ordinary Shares as at 30 June 2017	8,578,596	8,609,085
Shares to be issued under the Issue – approximately	2,144,649	4,289,298
Cost of the Issue (estimated) ⁽³⁾		(60,000)
Total issued Capital after the Issue – approximately – assuming offer fully subscribed	10,723,245	12,838,383

Net Asset Backing

Pre Issue Net Asset Backing per share at 30 June 2017	Post Issue effect on Net Asset Backing per share at 30 June 2017
\$1.9620 ⁽¹⁾	\$1.9646 ⁽¹⁾
\$1.7398 ⁽²⁾	\$1.7862 ⁽²⁾

- (1) After allowing for tax on realised but not unrealised capital gains and before any future tax benefit of realised losses.
- (2) After allowing for tax on both realised and unrealised capital gains.
- (3) Costs of the Issue are described in the Glossary at the rear of this booklet.

A pro forma Balance Sheet for GMF is provided below showing the net effect of the Issue, as if those events had occurred on 30 June 2017 with allowance for rounding and assuming the Issue is fully subscribed. The unaudited pro forma Balance Sheet is based on GMF's audited financial statements for the year ended 30 June 2017.

	Audited Balance Sheet as at 30 June 2017	Adjustments for Rights Issue (Note)	Unaudited Pro forma Balance Sheet
CURRENT ASSETS			
Cash assets	1,012,558	4,289,298	5,301,856
Receivables	2,364		2,364
Other	26,846		26,846
TOTAL CURRENT ASSETS	1,041,768		5,331,066
NON CURRENT ASSETS			
Investment portfolio	15,824,624		15,824,624
TOTAL NON CURRENT ASSETS	15,824,624		15,824,624
TOTAL ASSETS	16,866,392		21,155,690
CURRENT LIABILITIES			
Payables	28,513	60,000	88,513
TOTAL CURRENT LIABILITIES	28,513		88,513
Deferred tax liability	1,912,801		1,912,801
TOTAL LIABILITIES	1,941,314		2,001,314
NET ASSETS	14,925,078		19,154,376
EQUITY			
Issued capital	8,609,085	4,229,298	12,838,383
Reserves and Retained Earnings	6,315,993		6,315,993
TOTAL EQUITY	14,925,078		19,154,376

Note: Adjustments for the one for four renounceable rights issue at \$2.00 per New Share made in this Entitlement Offer Booklet. An accrual for \$ 60,000 relating to the Costs of the Issue has been made. Costs of the Issue are described in the Glossary at the rear of this booklet.

6.4 Effect of the Entitlement Offer on shareholdings

If all Entitlements are accepted by existing shareholders to the full extent, then the Entitlement Offer will not result in any change to the control of GMF.

To the extent that Eligible Shareholders do not participate by selling or failing to take up their Entitlements and to the extent that there are existing shareholders who are not eligible to participate, the shareholding interest of those non-participating shareholders will be diluted.

The Directors have been advised by Citicorp Nominees Pty Limited that it intends to only participate and subscribe for some or all of the shares through its Entitlement to the Issue.

Notwithstanding that existing shareholders (other than Citicorp Nominees Pty Limited) may not take up New Shares, or may take up New Shares in excess of their Entitlements by

participating in rights trading or the Shortfall Bookbuild or that new investors may acquire New Shares by participating in rights trading or new professional or sophisticated investors may acquire New Shares by participating in the Shortfall Bookbuild, the Directors do not anticipate that this will result in a change of control of GMF.

In the event 25% of the Entitlements are not taken up and Citicorp Nominees Pty Limited subscribes for its full Entitlement, then Citicorp Nominees Pty Limited's total shareholding in GMF would increase from 53.7% to 56.5%.

6.5 Borrowings

There are no borrowings.

6.6 Rights attaching to the New Shares

The New Shares will trade under the Company's ASX Code of 'GFL' for Existing Shares and will rank equally in all respects with Existing Shares.

The Issue is not underwritten.

Eligible Shareholders may choose to apply for all or some of their Entitlement, sell some or all of their Entitlements, subject to the availability of buyers, or do nothing. The Entitlements will trade on the ASX during the rights trading period under the ASX code 'GFLR'. If you wish to sell your Entitlements you should contact your broker or other professional advisor.

If you wish to purchase additional rights to New Shares during the rights trading period, please contact your broker or other professional advisor.

6.7 Interest on Application Monies

GMF will be entitled to all interest paid or accrued on Application Monies held in trust by GMF from the date of receipt of the Application Monies to the date of issue of the New Shares to which the Application Monies relate.

6.8 Taxation

You should be aware that there may be taxation implications associated with participating in the Entitlement Offer and receiving New Shares or selling your Entitlements.

GMF does not consider it appropriate to give shareholders advice regarding the taxation consequences of selling their Entitlement or of subscribing for New Shares under the Entitlement Offer. GMF, its advisors and its officers do not accept any responsibility or liability for any such taxation consequences to shareholders.

Shareholders should consult their professional tax advisor in connection with subscribing for New Shares under this Entitlement Offer Booklet or selling their Entitlements.

6.9 Future performance and forward-looking statements

Neither GMF nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to the Entitlement Offer. This Entitlement Offer Booklet contains certain 'forward-looking statements'. Forward-looking words such as, 'expect', 'should', 'could', 'may', 'predict', 'plan', 'will', 'believe', 'forecast', 'estimate', 'target' and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Entitlement Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based

on interpretations of current market conditions. Forward-looking statements including forecasts, projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements only speak as to the date of this Entitlement Offer Booklet and GMF assumes no obligation to update such information. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of GMF and its Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward-looking statements in this Entitlement Offer Booklet.

6.10 Past performance

Investors should note that the past share price performance of GMF shares provides no guidance as to future share price performance. For further information, please see past announcements released to the ASX.

6.11 No cooling-off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

6.12 Not investment or financial product service

This booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. GMF is not licensed to provide financial product advice in respect of the New Shares. The Information does not purport to contain all the information that you may require to evaluate a possible application for New Shares.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the information in this Entitlement Offer Booklet, you have any questions about the Entitlement Offer, you should contact your broker or other professional advisor.

6.13 Governing law

The information in this Entitlement Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each Applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

6.14 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Entitlement Offer Booklet.

Any information or representation that is not in this Entitlement Offer Booklet may not be relied on as having been authorised by GMF or its related bodies corporate in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of GMF, or any other person, warrants or guarantees the future performance of GMF or any return on any investment made pursuant to this Entitlement Offer Booklet.

Glossary

In this Entitlement Offer Booklet:

AEST means Australian Eastern Standard Time.

Applicant means a person who has applied to subscribe for New Shares under the Entitlement Offer.

Application Monies means the aggregate money payable for New Shares applied for under the Entitlement Offer by an Applicant.

ASIC means the Australian Securities and Investments Commission.

ASIC Instrument means any class order or other instrument issued by ASIC amending the provisions of the Corporations Act generally or in a specific instance.

ASX means Australian Securities Exchange Limited ABN 98 008 624 691.

Australian Financial Services Licensee means EC Pohl & Co Pty Ltd ACN 154 399 916, AFSL No. 421704.

GMF or the Company means Global Masters Fund Limited ABN 84 109 047 618.

Corporations Act means the Corporations Act 2001 (Cth) and any regulations made under it (including any modifications made by ASIC Instrument).

Costs of the Issue means the estimated costs directly associated with the Issue including legal fees, Share Registry fees, postage and printing costs, ASX Listing fees and sundry other items.

Eligible Shareholders means a person who is registered as a holder of Existing Shares as at the Record Date whose address on the register is in Australia or New Zealand and who is not in the United States and is not a U.S. Person or acting for the account or benefit of U.S. persons.

Entitlement means the entitlement to one New Share for every four Existing Shares.

Entitlement Offer means the pro rata renounceable rights offer to shareholders of approximately 2,144,649 New Shares in GMF in the proportion of one New Share for every four Existing Shares at the Offer Price.

Entitlement Offer Booklet means this booklet including the Form.

Existing Share means a fully paid ordinary share in the Company on issue at the Record Date.

Existing Shareholders means the holders of fully paid ordinary shares in the Company on issue at the Record Date.

Form means the Entitlement and Acceptance Form.

Ineligible Shareholders has the meaning given on page 4 of this Entitlement Offer Booklet

Intermediary means EC Pohl & Co Pty Ltd ACN 154 399 916 AFSL No. 421704.

Issue means the issue of New Shares pursuant to this Entitlement Offer Booklet.

Listing Rules means the ASX listing rules.

New Shares means the fully paid ordinary shares in the Company to be issued pursuant to this Entitlement Offer Booklet.

Offer Price means the offer price of \$2.00 per New Share.

Placing Agents means the broker(s) to be appointed by the Company.

Record Date means the time and date for determining which shareholders are registered as holders of Existing Shares, being 7.00pm AEST on 12 October 2017.

Securities Act means the United States Securities Act of 1933, as amended.

Share Registry means Boardroom Limited.

Shortfall means a shortfall arising from Entitlements not taken up by the closing date for receipt of the Form.

Shortfall Bookbuild means the bookbuild which may be conducted by the Placing Agents with respect to the offer of New Shares in respect of the Shortfall. New Shares offered under the Shortfall Bookbuild will be sold at a price not less than the Offer Price.

U.S. Person has the meaning given to that term in Regulation S under the Securities Act

Corporate Directory

Directors

Mr Jonathan Lancelot Addison

Mr Patrick Corrigan **AM**

Mr Murray d'Almeida

Dr Emmanuel (Manny) C. Pohl

Company Secretary

Brian Edward Jones

Registered and Principal Office

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Tel: 1300 522 660
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Email: info@globalmastersfund.com.au
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Securities Exchange

The Company is listed on the Australian Securities Exchange Ltd
ASX Code: GFL

Auditors

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Website

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Legal Advisors to the Company

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Martin Place
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Share Registry

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