

RAB Capital plc

("RAB" or "the Group")

Restructuring of the RAB Special Situations strategy

RAB Capital plc is pleased to announce that investors in the Cayman-based RAB Special Situations Fund Limited and the Delaware-based Special Sits LP have voted by a considerable margin to approve a three year lock-up.

The effect of the restructuring is to ensure the long-term stability of the strategy so as to provide a better prospect for the generation of value in the underlying investments. As of 25 September 2008, assets under management in the Special Situations strategy were estimated to be \$790 million.

The total assets under management of the Group as of 25 September 2008 were estimated to be \$4.2 billion.

In a separate initiative, RAB is moving to divisionalise its business, both to provide better clarity on its product offering, and in response to investor requests for greater segregation between its products. As a first step towards this the Group intends to vest the management of its Northwest products into a separate management company ("Newco") which will be managed directly by George Philips and David Rogers, who will own 49% of Newco. Under the plan Newco will be a separate regulated entity, but with RAB holding 51% and continuing to be represented at Board level. As at 25 September 2008 the RAB-Northwest funds represented 15% of total RAB assets under management. The new arrangements, which are subject to regulatory approval, do not result in a material difference to RAB's economic interest in the Northwest business.

Stephen Couttie, RAB Chief Executive, said:

"We are grateful that investors in RAB Special Situations have given strong support for the restructuring proposal. The three year lock-up is the best way to secure value from their investments."

"The Northwest team have developed a strong brand in their own right and the product has remained distinct from RAB's offering since their acquisition in 2006. The Board anticipates that these proposals will provide a more logical framework from which George and David can continue to develop the business."

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