

Media release

LOCAL HEDGE FUND PLAYER, BLUE INK, JOINS FORCES WITH INTERNATIONAL FUND OF HEDGE FUNDS, OCTANE

Cape Town, September 13, 2007 - Octane Holdings, an offshore specialist alternative investment manager focusing on funds of hedge funds, which has Sanlam as a major shareholder, announced today that it has acquired Cape Town-based hedge fund manager, Blue Ink Investments from its founder, Clifford Warren for an undisclosed sum.

Upon approval by the South African Competition Commission, Blue Ink will be wholly-owned by Octane which currently manages, here and abroad, in excess of \$1.3 billion of offshore assets for both private and institutional clients.

Managing Director of Octane for Pan Africa, Duncan Theron says the acquisition is synergistic for both parties as Octane brings global best practice and experience while Blue Ink brings one of the longest and best track records as well as a strong local, private and institutional client base of approximately R2,8-billion under management.

“The deal allows Octane to enter the South African fund of hedge fund market through a well respected player. As a result of the planned closer working relationship between Octane and Blue Ink, we hope to further entrench the already strong position of Blue Ink as a leader in the South African market and as the provider of funds of hedge funds. We also plan to enhance the current South African offering with our tailor made global solutions approach to the local hedge fund industry.”

Theron says that via Blue Ink’s joint venture agreement with Legae Capital, Octane would continue to service and grow the current local institutional client base in South Africa.

He added that Blue Ink would maintain its identity and all staff will retain their current positions.

Commenting on the deal, founder of Blue Ink, Clifford Warren said that further intellectual capital will be added to Blue Ink in the form of access to a wider network of investment professionals and enhanced quantitative risk management systems.

Theron also announced the appointment of Esmarie Strydom as the new Chief Executive Officer of Blue Ink as of October 1, pending the Competition Commission approval. Strydom has

extensive management and investment experience at Transnet Retirement Funds and will be working closely with the existing team members of Blue Ink.

Theron concluded that Octane, in association with the Blue Ink team, was looking forward to positioning the business as the pre-eminent provider of South African Funds of Hedge Funds.

“Collectively the broader group now manages approximately R10 billion of fund of hedge fund monies. We are now in a position to manage our South African clients’ local and offshore mandates as a consolidated offering, if required. Octane already has the strongest local presence of any offshore investment manager and combined with the material presence of Blue Ink locally, we make a formidable business team with a comprehensive range of alternative investment solutions for our clients.”

ends

For further information, please contact:

Octane Holdings
Managing Director, Pan Africa: Duncan Theron
Cell: +27 82 336 8615
E-Mail: duncan@octanefund.com

Blue Ink Investments
Chief Executive Officer, Cliff Warren
+ 27 21 673 3333
Cell: +27 82 555 3 777
E-Mail: cliffw@blueink.co.za

Distributed by:
Atmosphere Communications, Julie Bekker
+27 21 461-2117
+27 82 359 2461
E-Mail: julie@atmosphere.co.za

Note to editors:

Octane Holdings, founded in 2001, is a Swiss-based group with offices in Switzerland, New York and South Africa. Octane constructs various risk-profiled fund of hedge funds solutions and currently has assets under management in excess of \$1.3 billion. Octane performs sophisticated qualitative and quantitative analysis to source managers and construct client-focused fund of hedge funds solutions. The sole focus of Octane is on research, assessment and the overall construction of fund of hedge funds solutions. Although the group is headquartered in Switzerland its research and risk management team is based in New York City, heart of the hedge fund industry. Client service and after-sales service teams operate out of Switzerland, Johannesburg and Cape Town with custodian and administration services are independently provided out of Luxembourg and Switzerland. Sanlam Limited owns a key stake in Octane Holdings.

Blue Ink Investments, founded in 1994, is a South African Fund of Hedge Funds manager that provides a multi-manager hedge fund platform focusing on the preservation of capital and the provision of positive risk-adjusted returns. Blue Ink has private client portfolios of approximately R1.1 billion under management, while a JV with Legae Capital in 2004 provided Blue Ink with access to the institutional market. The JV continues, with almost R2 billion under management.