

6 February 2014

**Global Brands S.A. (“Global Brands” or the “Company”)**

**RTO negotiations and Suspension of Shares  
Convertible Loan Facility,  
Change of Shareholding Notification and  
Exercise of Warrants**

**RTO Negotiations and Suspension of Shares**

The Board of Global Brands announces that it is in negotiations for the acquisition of UK Onshore Gas Limited (“**UKOG**”), a private limited company that is owned by Global Brands’ majority shareholder, Gerwyn Williams, and his associates. UKOG owns the entire issued share capital both of UK Methane Limited and (via its subsidiary Thistle Gas Limited) of Coastal Oil & Gas Limited (the **Subsidiaries**), which together hold a 50% interest in 17 petroleum exploration and development licences (**PEDLs**) in the UK.

Global Brands has entered into non-binding heads of agreement in relation to the acquisition which would constitute a reverse takeover under Rule 14 of the AIM Rules for Companies and will therefore be conditional, inter alia, upon the publication of an admission document by the Company and the approval of Global Brands’ shareholders at a general meeting.

In accordance with the AIM Rules, trading in the Company’s ordinary shares will be suspended with effect from 7:30 am today pending publication of an admission document by the Company or an announcement that the proposed acquisition is no longer proceeding.

Whilst negotiations are at an advanced stage, there can be no certainty that the acquisition will be concluded successfully.

**Convertible Loan Facility**

Global Brands is pleased to announce that it has secured a convertible loan facility for up to £300,000 from Mr Williams. The funds will be used to cover the initial due diligence and other costs directly associated with the acquisition (the “**Cost Contribution**”) and for general working capital purposes.

The key terms of the loan facility are as follows:

- the total facility is £300,000;
- individual loan amounts may be drawn down at any time subject to a minimum individual draw down amount of £50,000;
- the Company has drawn down an initial £50,000 with immediate effect to support its working capital requirements;
- the drawn down loan amount bears interest at rate of 6% per annum;
- should the acquisition complete, the drawn down loan amount is convertible at the discretion of Mr Williams at a price of £0.003 per share or repaid from the proceeds of the fund raising on re-admission; and
- should the acquisition not complete by 31 October 2014, the outstanding loan amount less the Cost Contribution is to be repaid on or before 30 November 2014 or converted in whole or in part at Mr Williams’ discretion at the lower of £0.003 per

share and a price equating to a 10% discount on the market price at the date of conversion.

Mr Williams currently owns 102,772,728 shares in Global Brands representing an interest of 29.46% in the Company. The loan facility therefore constitutes a related party transaction. The Directors, having consulted with the Company's Nominated Adviser, consider that the terms of the loan facility are fair and reasonable insofar as the Company's shareholders are concerned.

### **Change of Shareholding Notification**

Global Brands has been notified that, as a result of the management buy out of Alexander David Securities Limited's ("**Alexander David**") Private Client business, Alexander David has transferred to Templeton Securities Limited ("**Templeton**") 15% of its investments (shares and warrants) in Global Brands. Consequently, Alexander David has transferred 5,802,930 shares in the Company to Templeton Securities Limited.

Further, as announced in February 2012, Alexander David holds warrants over 4,584,655 shares in Global Brands. These warrants have an exercise price of £0.002 per share and expire on 17 February 2014. Warrants representing 687,698 shares have been transferred to Templeton.

### **Exercise of Warrants**

Templeton has notified the Company that it will exercise its warrants over 687,698 ordinary shares. Alexander David has notified the Company that it intends exercising its warrants over 3,896,957 ordinary shares ahead of the expiry date. The exercise notice is expected to be served immediately after this announcement.

Consequently, the Company expects to issue and allot a total of 4,584,655 new ordinary shares to raise £9,169.31. The new shares will rank *pari passu* with the Company's existing ordinary shares. Application will be made to the London Stock Exchange plc for 4,584,655 new ordinary shares in the Company to be admitted to AIM on or around 12 February 2014.

As a result of the transfer, exercise of options and the issue of new equity, Alexander David's interest in the Company will reduce from 11.09% to 10.41%.

Following the issue of equity, the total number of shares in issue will be 353,416,320. Investors should use this number of shares as the basis for calculating their obligations to notify their holdings under the disclosure and transparency rules ("DTR").

### **For further information, please contact:**

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