

THIS NOTIFICATION COMPRISES A SUPPLEMENTARY NOTICE, AND UPDATES INFORMATION CONTAINED IN THE ADMISSION DOCUMENT.

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28 November 2014

GRESHAM HOUSE PLC ('Gresham' or the 'Company')

Supplementary Notice – Property Update

The board of the Company would like to make the following corrections pertaining to some of the details in the Admission Document and the Circular published on 8 October 2014 and sent to shareholders on the same day. The board together with the Proposed Directors (together the "Board") believes there is no material change to the valuation of the Group's property assets as at 30 June 2014. Admission to AIM of the Company's Ordinary Shares (including the Placing Shares) and Shareholder Warrants is expected on 1 December 2014.

In connection with an ongoing review of the Group's property assets, the Board has become aware of adjustments required to information previously announced in relation to these assets. The Board does not view these changes, in aggregate, as being material in relation to the Company, Admission or the Placing. The net impact is a minor downward revision of the valuation of the property at Newton-le-Willows as at 30 June 2014.

Following a review of the site details in relation to the Group's holding of land at Newton-le-Willows by Jones Lang LaSalle, it has come to the Board's attention that the Group retains a residual area of 5 acres, rather than the previously announced figure of 8 acres. This is because the Group has agreed to sell a total of approximately 25.8 acres of land to Persimmon rather than the 22.8 acres as stated in the Admission Document.

In light of this, the Board asked Jones Lang LaSalle to review its valuation of the Group's property assets contained in the Admission Document. Following this review, the entire Newton-le-Willows site, including both the residential land to be sold to Persimmon and the Group's interest in the retained land, has now been valued by Jones Lang LaSalle at £9.75 million as at 30 June 2014, compared with £9.95 million as previously stated. This revised amount includes £250,000 of value relating to anticipated overage payments in respect of the land sold to Persimmon which had not previously been taken into account. Accordingly, the aggregate valuation of the Group's property assets as at 30 June 2014 was £16.35 million rather than £16.55 million as stated in the Admission Document. Had the revised valuation by Jones Lang LaSalle of the Newton-le-Willows site been reflected in the Company's interim accounts as at 30 June 2014, the NAV Per Ordinary Share would have been 328.0 pence rather than 331.7 pence as stated in the Admission Document, a difference

of 1.12 per cent. The Adjusted NAV Per Ordinary Share would have been 319.54 pence rather than 323.27 pence as stated in the Admission Document, a difference of 1.2 per cent.

Therefore the Board believes there is no material change to the valuation of the Group's property assets as at 30 June 2014.

As part of their review, Jones Lang LaSalle have also considered movements in the value of the Group's property assets since 30 June 2014 and have indicated that the current valuation of the Southern Gateway site following signing of long term lease agreements since 8 October 2014 is approximately £7 million, compared with £6.6 million as at 30 June 2014. The aforementioned lease agreements are (i) as previously announced, a 10 year lease agreement dated 16 October 2014 with a new tenant for the letting of the building known as Wellington House (or the Liverpool Science Centre) at a value over the period of the lease of approximately £1.3 million net of tenant incentives and (ii) an agreement dated 18 November 2014 to extend an existing lease with a significant tenant to 15 November 2018.

For illustrative purposes only, if the Adjusted NAV Per Ordinary Share had been calculated using the revised value of the Newton-le-Willows site as at 30 June 2014 and the current indicated valuation of the Southern Gateway site, it would have been 326.99 pence.

Expected Timetable and Placing Statistics

(following the passing of all Resolutions at the General Meeting on 31 October 2014):

Date of Admission	1 December 2014
Record Date for Shareholder Warrants	28 November 2014
Number of existing Ordinary Shares	5,369,880
Number of Placing Shares	3,973,510
Enlarged number of Shares at Admission	9,343,390
Placing Price	286.9p
Market capitalisation at Placing Price	£26.8 million
Number of Shareholder Warrants at Admission	up to 1,073,976
Number of Supporter Warrants at Admission	850,000
Gross proceeds of Placing and Supporter Warrant Issue	£11.46 million
ISIN / Ticker for Ordinary Shares	GB0003887287 / GHE
ISIN / Ticker for Shareholder Warrants	GB00BPYP3515 / GHEW

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Further information, including the Company's Admission Document, may be found at www.greshamhouse.com.

Unless otherwise defined herein, terms capitalised in this supplementary notice have the same meaning as in the Admission Document published on the Company's website on 8 October 2014.

IMPORTANT NOTICE

Westhouse, which is authorised in the UK under the FSMA and which is regulated by the Financial Conduct Authority, is acting as financial adviser, nominated adviser and broker in connection with the Proposals. Westhouse is acting exclusively for Gresham House plc and for no-one else and will not be responsible to anyone other than Gresham House plc for providing the protections afforded to the clients of Westhouse nor for providing any advice in relation to the Proposals or the contents of this supplementary notice or any transaction, arrangement or matter referred to herein.

Overseas Shareholders

The distribution of this supplementary notice in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. Subject to certain exceptions, this supplementary notice is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Forward-looking statements

This supplementary notice may include 'forward-looking statements'. All statements other than statements of historical fact included in this supplementary notice, including without limitation, those regarding the Company's financial position, business strategy, plans and management objectives for future operations are forward-looking statements. Forward-looking statements are subject to risks and uncertainties and accordingly the Company's actual future financial results and operational performance may differ materially from the results and performance express in, or implied by, the statements. These factors include but are not limited to those described in the formal admission document.