

BlackRock Seeded by DMCC, Joins Al Safi platform

Dubai 17 November 2008: The Dubai Multi Commodities Centre (DMCC) joined Barclays Capital and Shariah Capital today to announce that it has funded as the seed investor the BlackRock Global Resources & Mining Fund on the Shariah governed Al Safi Trust platform. The amount of DMCC's investment is US\$50 million.

BlackRock, Inc., a global institutional investment manager with over \$1.26 trillion assets under management, will manage the BlackRock Global Resources & Mining Fund on Al Safi.

BlackRock's Dan J. Rice III, CPA, Managing Director and Portfolio Manager, will direct the Fund's investments into companies engaged in the exploration, development and production of global resources. Mr. Rice has over 25 years of experience in the global resources and energy sectors. The Fund expects to place special emphasis on small cap companies with capitalizations from \$25 million to \$2 billion.

The BlackRock Global Resources & Mining Fund on Al Safi will be available to investors through the **DSAM Kauthar Global Resources & Mining Fund**, an exclusive feeder fund established by DMCC's joint venture with Shariah Capital. This joint venture, Dubai Shariah Asset Management (or "DSAM"), develops and manages Shariah governed investment products focused on commodities. It distributes these products under the "DSAM Kauthar" brand name.

The addition of BlackRock means that the Shariah governed alternative investment strategies seeded by DMCC now available are:

- DSAM Kauthar Gold Fund
- DSAM Kauthar Energy Fund
- DSAM Kauthar Natural Resources Fund
- DSAM Kauthar Global Resources & Mining Fund

All four are feeder funds into subtrust accounts on the Al Safi Trust platform where Barclays Capital is the prime broker and custodian. All are open to investors on a monthly basis. A fifth fund, the **DSAM Kauthar Commodity Fund**, is an equally-weighted fund-of-funds comprised of the four DSAM Kauthar strategies. It is designed for investors who prefer a managed exposure to all four commodity strategies.

More significantly, the DSAM Kauthar Commodity Fund is the first fund of hedge funds successfully introduced to the Islamic investment market. The fund provides a managed allocation among the various component DSAM Kauthar strategies so investors maintain a balanced exposure to all commodity sectors. The fund-of-funds structure also provides a benchmark against which the performance of individual strategies can be measured, as well as the core of an index for tracking Shariah governed, commodity-linked hedge funds. DSAM expects the DSAM Kauthar Commodity Fund and subsequent funds-of-funds to become the basis of a broad, commodity-focused product line.

Speaking on behalf of the DMCC, Ahmed Bin Sulayem, Executive Chairman, said: "Today's announcement is as exciting for the DMCC as it should be for all Islamic investors. As we work to bring Islamic Finance into the mainstream of global investing, it is gratifying to see an internationally-recognized financial institution like BlackRock accept our Shariah conditions and agree to manage this DSAM Kauthar fund. It confirms our commitment to bring Islamic investors the best investment managers while enforcing a strict discipline of Shariah."

Mr. Rice, based in BlackRock's Boston office, commented: "The Middle East is a fast-growing market with estimated investment assets of more than US\$3 trillion. BlackRock has already made strong progress in the region building extensive relationships, and we are excited to further deepen our



presence in this area. We look forward to partnering with the DMCC, creating an attractive platform of investment opportunities for the Islamic investor.”

Eric Meyer, Chairman and CEO of Shariah Capital, added: “BlackRock’s commitment to manage within Shariah, I believe, will prove to be a very positive turning point in the evolution of Islamic finance. BlackRock’s inclusion on the Al Safi platform makes a statement - to the alternative investment market and to Islamic investors worldwide - that major investment management firms like BlackRock, utilizing the seamless screening tools and arboon-based solutions to conventional short selling that we’ve developed at Shariah Capital, can, indeed, accommodate Shariah. It makes the statement that these firms have the confidence to deliver the same competitive performance to Islamic investors that they’ve delivered to conventional investors through the inevitable ups and downs of investment cycles. At the same time, BlackRock’s funding underscores Dubai’s unwavering vision to make it a centre for Islamic alternative investments and reconfirms that, despite today’s global economic turmoil, the country’s key core projects, like DSAM, are moving forward.”

Richard Ho, Head of Fund-Linked Derivatives at Barclays Capital, elaborated: “DMCC’s provision of seed capital to another manager on Al Safi is a strong affirmation of the veracity of the platform’s Shariah framework. Al Safi expands the Islamic product universe beyond long-only portfolios and provides mechanisms for risk management previously unavailable to Islamic investors. With reports of Islamic finance growing at rates of 15-20% per year, we expect the addition of more long-short strategies to the platform that can accommodate Shariah to meet this strong client demand.”

Ian MacDonald of DMCC, Mr. Meyer and the managers of two existing Al Safi funds were featured speakers at the GAIM Middle East Global Alternative Investment Management Conference held over the last two days in Dubai at the Dubai International Convention Centre.

John Hathaway of Tocqueville Asset Management, portfolio manager of Al Safi’s Tocqueville Gold Focus Fund (the exclusive investment of the DSAM Kauthar Gold Fund) addressed the conference about the recent volatility of gold prices and longer-term investment opportunities in precious metals.

Russell Lucas of Lucas Capital Management, co-portfolio manager of Al Safi’s Lucas Energy Fund (the exclusive investment of the DSAM Kauthar Energy Fund) likewise discussed current investment strategies in oil and gas and the ease with which he is able to manage within Shariah.

Both managers met extensively in interviews with local and international media during the course of the conference.

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Noted to Editors

About Dubai Multi Commodities Centre (DMCC)

DMCC, a Dubai World Group company, was created in 2002 as a strategic initiative of the Dubai Government to establish a commodity marketplace in Dubai. Rated 'A' by Standard & Poor's, it provides the market infrastructure that brings together a wide range of commodities activities, and is committed to serve the needs of participants in the gold, diamonds and commodities markets. Resident companies of DMCC are offered highly attractive benefits under a free zone status, including a 50-year guaranteed tax holiday, 100 per cent business ownership, full ownership of business premises, and a secure regulated environment. For further information see the website at www.dmcc.ae

About Dubai Shariah Asset Management (DSAM)

DSAM is a newly-formed joint venture between Dubai Commodities Asset Management (DCAM), a wholly-owned subsidiary of the Dubai Multi Commodities Centre Authority, and Shariah Capital. DCAM has applied to the central bank of the United Arab Emirates for a license that will authorise it to develop and distribute commodity-linked investment products in the UAE and other markets.

About Shariah Capital

Shariah Capital customises Shariah governed financial products and platforms and provides selective Shariah consulting and advisory services primarily to global financial institutions and investment firms with product initiatives directed to Islamic investors. Headquartered in the United States, Shariah Capital is traded on the Alternative Investment Market (AIM) of the London Stock Exchange under the symbol SCAP. It reports to the Financial Services Authority (FSA) in the United Kingdom and is registered and licensed with the Dubai International Financial Centre (DIFC) in Dubai where it maintains a branch office. www.shariahcap.com

About BlackRock, Inc.

BlackRock is one of the world's largest publicly traded investment management firms. At September 30, 2008, BlackRock's AUM was \$1.26 trillion. The firm manages assets on behalf of institutions and individuals worldwide through a variety of equity, fixed income, cash management and alternative investment products. In addition, a growing number of institutional investors use *BlackRock Solutions*® investment system, risk management and financial advisory services. Headquartered in New York City, as of September 30, 2008, the firm has approximately 5,800 employees in 22 countries and a major presence in key global markets, including the U.S., Europe, Asia, Australia and the Middle East. For additional information, please visit the Company's website at www.blackrock.com. Managing Director and Portfolio Manager Dan Rice is a 19-year veteran of BlackRock. Managing Director and Portfolio Manager Denis Walsh has been named a "Best of the Buy Side" analyst by Institutional Investor magazine 7 times in the last 8 years, 2000-2008.

About Barclays Capital

Barclays Capital is the investment banking division of Barclays Bank PLC. With a distinctive business model, Barclays Capital provides large corporate, government and institutional clients with a comprehensive set of solutions to their strategic advisory, financing and risk management needs. Barclays Capital has offices around the world, employs over 20,000 people and has the global reach, advisory services and distribution power to meet the needs of issuers and investors worldwide.

For further information about Barclays Capital, please visit our website www.barclayscapital.com. Barclays Capital - the investment banking division of Barclays Bank PLC. Registered in England 1026167. Registered office 1 Churchill Place, London, E14 5HP. Authorised and regulated by the Financial Services Authority and a member of the London Stock Exchange.



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The Al Safi platform in terms of its infrastructure, its investment methodologies, its investments choices and monitoring of these choices is approved initially and at least on an annual basis by Shariah scholars as being governed in accordance with Shariah principles.

These approvals are not endorsed legally and an approval can be withdrawn at any time. You should make your own determination, seeking legal or other professional advice where necessary, that the Al Safi platform is governed in accordance with Shariah principles.

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