

22 December 2011

Kubera Cross-Border Fund Limited

Formalisation of Current Investment Policy

The Board of Directors of Kubera Cross-Border Fund Limited (LSE/AIM: KUBC) (the "Company") announces measures designed to clarify and streamline the Company's operations during its remaining life.

Background

In April 2009, the Board announced that the Company would not make any new investments (other than follow-on investments in existing portfolio companies), would gradually realise its existing assets under the direction of the Investment Manager, Kubera Partners LLC, and would distribute substantially all realisation proceeds to shareholders unless the Independent Directors determine otherwise.

The Company has made no new investments since 2008. Proceeds from the sale of Infotech Enterprises in March 2010 and Venture Infotek in October 2010 were distributed to shareholders via a share buyback and a pro rata return of capital respectively. The Board and the Investment Manager do not intend that any further new investments are made by the Company.

Investment Policy & Continuation Vote

The Board intends to formally amend the investment strategy by bringing forward the continuation resolution to a shareholder meeting to be held following the publication of the audited financial statements for the year ending 31 December 2011, rather than in 2013 as envisaged in the original AIM Admission Document. If a majority of shareholders approve the Board's recommendation not to continue the Company after the existing investments have been sold, the Company's strategy over the last three years not to make any further new investments and to distribute all realisation proceeds will continue to be implemented by the Board and the Manager.

Investment Management Agreement

During 2009, 2010 and 2011, the fee payable to the Investment Manager was fixed annually in order for the Company to be managed smoothly through the global financial crisis. With effect from 1 January 2012, the investment management fee will revert to 2% per annum of Net Asset Value. This will represent a significant reduction in the investment management fee payable going forward. The Board retains the ability to revisit the investment management fee if the Company's circumstances change.

Changes to the Board

If shareholders follow the Board's recommendation not to continue with the Company after the existing investments have been sold, the Board and the Investment Manager are both of the view that it would be appropriate for the Investment Manager's principals, Ramanan Raghavendran and Kumar Mahadeva, to step down from the Board. This will leave the Board with four independent non-executive directors. The number of Board members is expected to reduce to three as further progress is made with the disposal of investments.

The changes to the Board would in no way affect the active oversight and management of the Company's investment portfolio by Messrs. Raghavendran and Mahadeva. Mr. Raghavendran will continue to be the primary contact with shareholders regarding the Company's investment portfolio.

The Directors remain available for continued dialogue with shareholders regarding the Company's operations and prospects, and can be contacted at board@kuberacrossborderfund.com.

About Kubera Cross-Border Fund Limited

Kubera Cross-Border Fund Limited is a closed-end investment company incorporated in the Cayman Islands and traded on the AIM market of the London Stock Exchange. The Company makes private equity investments in cross-border companies, primarily in businesses that operate in the US-India corridor. The Company's Investment Manager, Kubera Partners LLC, brings a strong track record of investing in or managing such businesses. Several of the Company's portfolio companies also benefit from business activities in the growing Indian domestic market. For further information on the Company, please visit www.kuberacrossborderfund.com.

For more information contact:

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