

SAFARI INVESTMENTS RSA LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2000/015002/06)

Share code: SAR ISIN: ZAE000188280

(Approved as a REIT by the JSE Limited)

("Safari")

UPDATE ON THE PROPOSAL RECEIVED FROM COMMUNITY PROPERTY HOLDINGS LIMITED

Safari shareholders ("**Shareholders**") are referred to the announcement released on SENS by Safari on 22 July 2019 relating to the receipt by the board of directors of Safari ("**Safari Board**") of an unsolicited, binding written proposal from Community Property Company Proprietary Limited ("**Comprop**"), in terms of which Comprop notified the Safari Board of its firm intention to make a cash offer to acquire the entire issued ordinary share capital of Safari by way of a scheme of arrangement ("**Scheme**") in terms of section 114 of the Companies Act, No. 71 of 2008, as amended ("**Companies Act**") ("**Comprop Proposal**").

As noted in a recent announcement released by Safari on SENS on 14 August 2019, following the termination of the proposed merger with Fairvest Property Holdings Limited ("**Fairvest**"), and the resulting termination of the exclusivity provision contained in the agreement entered into with Fairvest, the independent board of Safari constituted to consider the Comprop Proposal ("**Independent Board**") immediately commenced various workstreams to properly consider the Comprop Proposal.

The purpose of this announcement is to provide Shareholders with additional information on developments in respect of the Comprop Proposal and to provide further clarity regarding the potential voting of the 53 000 000 Safari shares held by Southern Palace Capital Proprietary Limited ("**Southern Palace**"), the voting rights in respect of which are presently exercisable by the Chief Executive Officer of Safari or another person designated for such purpose by the Safari Board from time to time.

Update on developments

Subsequent to the announcement of the Comprop Proposal, Safari has received written statements from, or on behalf of, Shareholders holding in excess of 25% of Safari's issued share capital confirming that such shareholders will vote against the Comprop Proposal at the proposed ex dividend price of R5,90 per share ("**Confirmatory Letters**"), should such proposal be put to a vote of Shareholders.

Due to opposing positions expressed by Shareholders in the Confirmatory Letters, it is presently highly unlikely that the Scheme will be approved by the requisite majority of Shareholders, if proposed, notwithstanding the significant level of support for the Comprop Proposal, expressed by certain Shareholders as detailed in the SENS announcement of 22 July 2019.

Given these developments, the Independent Board is in the process of engaging with Comprop with a view to resolving the impasse. In parallel, the Independent Board is also finalising the appointment of an independent professional expert to express an opinion, if ultimately required in terms of the Companies Act, on whether the Comprop Proposal is fair and reasonable to Shareholders, as contemplated in sections 114(2) and 114(3) of the Companies Act and regulations 90 and 110(1) of the regulations under the Companies Act.

Safari shares held by Southern Palace

As stated in the announcement released by Safari on SENS on 14 August 2019, the Safari Board confirms that, in the interests of transparent governance, any such voting rights exercised, or declined to be exercised, as the case may be, will be effected by or under the direction of the Independent Board or a member thereof. In addition, should the Comprop Proposal be proposed on a consensual basis, Shareholders are advised that it is presently the Independent Board's intention in respect of the voting rights attaching to the Southern Palace shares to attend the relevant scheme meeting but to abstain from voting such Safari shares.

Continuation of cautionary

Safari shareholders are advised to continue to exercise caution when dealing in Safari's securities until a further announcement is made.

The Safari Board accepts responsibility for the information contained in this announcement insofar as it relates to Safari. To the best of its knowledge and belief, the information contained in this announcement is true and the announcement does not omit anything likely to affect the importance of the information.

26 August 2019

Pretoria

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