
REVISED STRATEGY REGARDING WATERFALL AND ATTERBURY

Introduction

Attacq Waterfall Investment Company (Pty) Ltd ("AWIC") is a wholly owned subsidiary of Attacq which holds the exclusive rights to develop the industrial, commercial and retail properties with supporting infrastructure in Waterfall. Waterfall is Attacq's key development pipeline in South Africa.

Attacq has a Development Management Agreement ("the Agreement") in place with Atterbury Property Holdings (Pty) Ltd ("Atterbury") whereby Atterbury was appointed as the sole and exclusive development manager for AWIC on Waterfall until January 2018, whereafter it was anticipated that Attacq would internalise the development function. In anticipation of the expiry of the January 2018 exclusivity period, Attacq has been assembling its own development team and appointed Pieter Mackenzie, who has over 25 years of experience in the property development and investment sector, as its Head of Developments.

Amendment of the Agreement in respect of Waterfall

Attacq has now taken the strategic decision to accelerate the internalisation of the Waterfall development management function to enable Attacq to take full control of the strategic planning, marketing and roll-out of the Waterfall development.

As such Attacq and Atterbury have agreed to amend the Agreement to terminate the exclusivity of Atterbury's appointment as development manager to Waterfall prior to January 2018. The agreement is subject to a number of conditions precedent. Once unconditional Attacq will fully internalise the Waterfall development function.

From a practical point of view, the completion of certain developments in the ground will remain the responsibility of Atterbury and Atterbury will continue to earn the remaining development fees in respect of these developments.

As part of the internalisation of the development function, Attacq has appointed Morne Whitehead from Atterbury. Mr Whitehead has been involved with Waterfall for the past five years and has been instrumental in Waterfall's infrastructure planning and implementation as well as managing a number of Waterfall's commercial property developments. Existing developments under management of Mr Whitehead will be taken over by Attacq with no further fees being payable to Atterbury on these developments.

The relationship between Attacq and Atterbury going forward

Attacq will dispose of its remaining 10% shareholding in Atterbury for a disposal consideration which has been contractually agreed and will be independently verified. Consequently, Attacq will vacate its seat on Atterbury's board.

The strategic relationship with Atterbury will continue. Attacq values the industry knowledge and insight of Mr Louis Van der Watt (CEO of Atterbury) and he will continue to be involved at Attacq on various levels including a seat on Attacq's board of directors on a non-executive level.

Mall of Africa is currently owned by Attacq as to an 80% undivided share and Atterbury as to 20% and the co-ownership structure will remain unchanged. In addition, Attacq's co-investments with Atterbury Europe into Cyprus and Serbia as well as Attacq's existing pre-emptive rights in respect of Atterbury's local and international developments are unaffected.

Categorisation of the proposed transactions

Attacq envisages that, in aggregate, the transactions contemplated in this announcement, once concluded and unconditional, will entail a net consideration of less than 5% of Attacq's market capitalisation. The transactions are therefore not categorisable under JSE Listings Requirements. Final details for information purposes will be announced in due course.

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