

ATTACQ LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/000543/06)

JSE share code: ATT ISIN: ZAE000177218

("Attacq" or "the company")



DISPOSAL OF INDUSTRIAL PROPERTY TO JOINT VENTURE COMPANY

1. Introduction and rationale

Shareholders are advised that Attacq, through its subsidiary Attacq Waterfall Investment Company Proprietary Limited ("AWIC"), has disposed of the development rights in respect of the immovable property described as land parcel 24, Waterfall (Portion 1 of the remaining extent of the farm Waterval) situated in Midrand, Gauteng, measuring 30.85 hectares (the "development") to Winter Robin Investments 26 Proprietary Limited ("WRI") by way of a cession, assignment and transfer for an aggregate consideration of R86 398 858.08 (excluding Value-Added Tax) (the "purchase consideration") (the "transaction").

The transaction forms part of the joint venture between Sanlam Properties, a division of Sanlam Life Insurance Limited ("Sanlam") and Attacq for light industrial commercial and retail developments in Waterfall. Sanlam holds 80% and Attacq 20% of the equity in WRI with Attacq having the right to increase its shareholding to 50%.

2. Terms of the transaction

The purchase consideration is payable by the creation of a loan account by WRI in favour of AWIC in an amount equal to the purchase consideration.

Should WRI dispose of any of the developments developed by it, AWIC and Sanlam, in their capacities as the shareholders of WRI, shall have a right of pre-emption to purchase that development in proportion to their respective shareholding in WRI.

The land parcel comprising the development measures 308 500 m² for commercial purposes, has not been proclaimed and no development has been undertaken to date.

The agreement governing the transaction provides for warranties and undertakings that are considered standard for a transaction of this nature.

3. Categorisation, small related party considerations, financial information, independent valuation

The transaction is considered a small related party transaction in terms of section 10.7 of the JSE Listings Requirements as WRI is a subsidiary of Sanlam which is a major shareholder of Attacq.

This small related party transaction is not subject to shareholder approval, provided an independent property valuer has confirmed that the terms of the transaction are fair as far as shareholders are concerned. Attacq has appointed Old Mutual Investment Group: South Africa to provide the directors of Attacq with an independent property valuation of the development, as required in terms of section 10.7 of the JSE Listings Requirements. In terms of the independent property valuation, the development is valued at R78 000 000, whereas the purchase consideration is R86 398 858.08.

As required in terms of section 10.7(b) read with 13.10 of the JSE Listings Requirements, the board of Attacq hereby confirms that it is of the opinion that the acquisition is fair insofar as shareholders are concerned, having had regard to the independent property valuation. Copies of the detailed and summary valuation report will be open for inspection at the registered office of the company (Att House, 2nd Floor, Maxwell Office Park, Magwa Crescent West, Waterfall City, 2090) for a period of 28 days from the date of this announcement.

2 August 2016

Corporate advisor and sponsor

JAVACAPITAL