
AFRICAN PHOENIX INVESTMENTS LIMITED
Incorporated in the Republic of South Africa
(Registration number 1946/021193/06)
Ordinary share code: AXL ISIN: ZAE000221370
Hybrid instrument code: AXLP ISIN: ZAE000221388
("African Phoenix" or "the Company")

UPDATE ON THE PROPOSED TRANSACTIONS AND CHANGES TO THE BOARD OF DIRECTORS

Shareholders are referred to the announcements released on SENS on 7 September 2018, 18 February 2019, 15 March 2019, 20 March 2019, and to the Circular distributed to Shareholders on 18 February 2019. Terms defined in the Circular shall, unless otherwise stated, bear the same meaning in this announcement.

PROPOSED TRANSACTIONS

As set out in the 'Results of General Meeting' announcement released on SENS on 20 March 2019, all the resolutions that were proposed in relation to the Proposed Transactions were adopted by the requisite majority of Shareholders at the General Meeting, including in excess of 75% of the voting rights exercised by Preference Shareholders at the General Meeting voting in favour of Special Resolution Number 1 (pertaining to the Scheme Repurchase).

The Board held a meeting on Monday, 25 March 2019 to deliberate on the remaining Scheme Repurchase Conditions, the remaining Voluntary Repurchase Conditions and the Proposed Transactions generally, having regard to a number of relevant factors including the voting results on the resolutions adopted at the General Meeting as set out in the Results of General Meeting announcement and the objection notices received from certain dissenting Shareholders in terms of section 164(3) of the Companies Act.

As the Company is subject to certain statutory processes outlined in the Companies Act, Shareholders are advised that the Board will continue to dynamically monitor developments in relation to these processes and the Proposed Transactions generally and will keep Shareholders updated via SENS of any developments relating to implementation of the Scheme Repurchase in particular, in due course.

CHANGES TO THE BOARD

As all the resolutions required to, *inter alia*, implement the BFM Structure as set out in the Circular were adopted by the requisite majority of Shareholders at the General Meeting, Shareholders are hereby advised of the following changes to the board of directors of African Phoenix ("**Board**") with effect from 25 March 2019, which changes arise in connection with the implementation of the BFM Structure:

- Mr Morris Mthombeni has resigned as an independent non-executive Director and Chairperson of African Phoenix and has been appointed to the board of directors of the General Partner;
- Ms Mahlatse Kabi has resigned as an independent non-executive Director and has been appointed as a member of the General Partner's Investment Committee;

- Mr Siya Nhlumayo has resigned as Chief Executive Officer and executive Director of African Phoenix and has been appointed to the board of directors of the General Partner, a member of the General Partner's Investment Committee and a member of the General Partner's Advisory Committee;
- Mr Shafiek Rawoot has resigned as Financial Director and executive Director of African Phoenix and has been appointed to the board of directors of the General Partner and as a member of the General Partner's Investment Committee;
- Mr Oyama Mabandla has been appointed as an executive Director of African Phoenix and accordingly, will no longer be an independent non-executive Director of the Board; and
- Ms Alethea Conrad, who is and will remain an independent non-executive Director of African Phoenix, has been appointed as the chairperson of the Board.

Shareholders are referred to the Circular and/or the integrated annual report of the Company for the financial year ended 30 September 2018, for abbreviated *curriculum vitae* in respect of each of the Directors referred to above.

Johannesburg
26 March 2019

Financial advisor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

Legal advisor

Webber Wentzel

Sponsor

Merchantec Capital