
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

Shareholders are referred to the announcements released on SENS on 7 September 2018, 18 February 2019, 15 March 2019, 20 March 2019, 26 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.

In the 'Update on the Proposed Transactions and Changes to the Board of Directors' announcement released on SENS on 26 March 2019, Shareholders were advised, *inter alia*, that the Board would continue to dynamically monitor developments in relation to, *inter alia*, the Proposed Transactions and would keep Shareholders updated via SENS of any developments relating to implementation of the Scheme Repurchase in particular.

Court approval of the Scheme Repurchase

As set out in the 'Results of General Meeting' announcement released on SENS on 20 March 2019, the requisite majority of Shareholders present and voting at the General Meeting approved Special Resolution Number 1.

In excess of 15% of the voting rights exercised by Shareholders present and voting on Special Resolution Number 1 voted against Special Resolution Number 1 and this entitles any Shareholder who voted against Special Resolution Number 1 to require the Company to seek court approval for the implementation of Special Resolution Number 1 (and hence the Scheme Repurchase) in terms of section 115(3)(a) of the Companies Act.

Shareholders are advised that a Shareholder that voted against Special Resolution Number 1 at the General Meeting has sent a notice to the Company in terms of section 115(3)(a) of the Companies Act, requiring the Company to seek court approval for Special Resolution Number 1 ("**Section 115 Notice**"). As a result, the Company must, in terms of section 115(5) of the Companies Act:

- apply to the court for approval of Special Resolution Number 1 within 10 Business Days after the adoption of Special Resolution Number 1 at the General Meeting (ie by 4 April 2019); or
- treat Special Resolution Number 1 as a nullity.

The Board is considering appropriate next steps given these developments and will keep Shareholders updated via SENS. The Board is satisfied with the processes followed in respect of the Proposed Transactions and the treatment of Shareholders.

Johannesburg
29 March 2019

Financial advisor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

Legal advisor

Webber Wentzel

Sponsor

Merchantec Capital