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**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")

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**FURTHER UPDATE ON THE PROPOSED TRANSACTIONS**

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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, 29 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' announcement released on SENS on 29 March 2019, Shareholders were advised, *inter alia*, that a Shareholder who voted against Special Resolution Number 1 (and hence the Scheme Repurchase) at the General Meeting had 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").

After having considered the Section 115 Notice and having due regard to the processes followed in respect of the Proposed Transactions and the treatment of Shareholders, Shareholders are advised that the Board is of the view that none of the circumstances set out in section 115(7) of the Companies Act, under which the court could set aside Special Resolution Number 1, are present. Accordingly, today the Company made application to the court for approval of Special Resolution Number 1 in terms of section 115(3)(a) of the Companies Act. Shareholders may access copies of the Company's legal papers in respect of the court application on the Company's website at <http://www.phoenixinvestments.co.za>. A copy of the notice of motion forming part of the Company's legal papers will also be released on SENS today.

Further, a copy of the notice of motion will be published in print editions of the Business Day, Rapport, and Die Beeld newspapers. Shareholders may also inspect the Company's legal papers during normal business hours at the Company's registered office at 3rd Floor Global House, 28 Sturdee Avenue, Rosebank, Johannesburg. Copies may be obtained at the Company's registered office free of charge on request during normal business hours.

Given that the timing and outcome of the aforementioned court process is uncertain, the fulfilment date for the Scheme Repurchase Conditions and the Voluntary Repurchase Conditions has been extended by the Board from 17h00 on Monday, 8 April 2019 to 17h00 on 8 July 2019. The Board has been advised that the court proceedings could be resolved within two to four months, which advice informed the Board's decision to extend the fulfilment date for the Scheme Repurchase Conditions and the Voluntary Repurchase Conditions. Notwithstanding this, the Board intends to conduct any court proceedings as efficiently as possible in order to ensure that any delay in implementation of the Scheme Repurchase occasioned by the court proceedings is minimised, including any delay in payment of the Scheme Repurchase Consideration to Preference Shareholders.

The Board will continue to keep Shareholders updated via SENS of any developments.

Johannesburg  
4 April 2019

**Financial advisor**

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

**Legal advisor**

Webber Wentzel

**Sponsor**

Merchantec Capital