
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")

FURTHER 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, 29 March 2019 and 4 April 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 Proposed Transactions.

As set out in the 'Results of General Meeting' announcement released on SENS on 20 March 2019, 92.84% of both Ordinary and Preference Shareholders, present and voting together at the General Meeting approved Special Resolution Number 2 (and hence the Voluntary Repurchase). Despite the passing of Special Resolution Number 2 at the General Meeting, Shareholders are reminded that, in accordance with the Circular, the Voluntary Repurchase may only be implemented if *inter alia* the Scheme Repurchase in terms of Special Resolution Number 1 is not implemented for any reason whatsoever, and in this regard the Company made application to court for approval of Special Resolution Number 1 (and hence the Scheme Repurchase) in terms of section 115(3)(a) of the Companies Act.

The Company may not implement Special Resolution Number 2 if a Shareholder who voted against Special Resolution Number 2 applies to court in terms of section 115(3)(b) read together with section 115(6) of the Companies Act, within 10 Business Days of the passing of Special Resolution Number 2 (ie 4 April 2019) for leave to apply for a court to review Special Resolution Number 2 in terms of section 115(7) of the Companies Act.

In order for a court to grant a Shareholder leave to apply for a court to review Special Resolution Number 2, the court must be satisfied that the Shareholder:

- is acting in good faith;
- appears prepared and able to sustain the court review proceedings; and
- has alleged facts which, if proved, would support an order in terms of section 115(7) of the Companies Act.

Shareholders are advised that a Shareholder that voted against Special Resolution Number 2 at the General Meeting has made an application to court in terms of section 115(3)(b) read together with section 115(6) of the Companies Act, for leave to apply for a court to review Special Resolution Number 2 in terms of section 115(7) of the Companies Act.

Shareholders will be kept updated on all relevant matters via SENS.

Johannesburg
5 April 2019

Financial advisor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

Legal advisor

Webber Wentzel

Sponsor

Merchantec Capital