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

DISTRIBUTION TO SHAREHOLDERS

Shareholders are referred to the 'Proposed Merger of Zarclear and African Phoenix, API Capital Acquisition and Cautionary Announcement' released on SENS simultaneously with this announcement wherein it is stated, *inter alia*, that further to its assessment that African Phoenix has funds surplus to its requirements and strategic objectives, the board of directors of African Phoenix ("Board") has resolved to distribute R599,342,214.24 of its surplus funds by way of a distribution.

Shareholders are hereby advised that on 29 November 2019, the Board resolved to declare a capital reduction distribution as a return of contributed tax capital ("Distribution"). The Distribution amount of R599,342,214.24, which equates to 42.00 cents per ordinary share, is not subject to dividend withholdings tax as the Distribution is paid out of capital reserves. As the Distribution will be regarded as a return of capital and may have potential capital gains tax consequences, shareholders are advised to consult their tax advisers regarding the impact of the Distribution. As at the date of declaration there were 1 427 005 272 ordinary shares (or "A Shares") and 300,000,000 unlisted B ordinary no par value shares in issue.

The Company's income tax reference number is 9850164717.

In compliance with the Companies Act, 71 of 2008, as amended, the Board confirms that the Company will satisfy the solvency and liquidity test immediately after completion of the Distribution.

The timetable for the Distribution is as follows:

Declaration and finalisation date	Tuesday, 3 December 2019
Last day to trade "cum-Distribution"	Tuesday, 7 January 2020
First day to trade "ex-Distribution"	Wednesday, 8 January 2020
Record date	Friday, 10 January 2020
Payment date	Monday, 13 January 2020
Share certificates will not be able to be rematerialised or dematerialised between (both days inclusive)	Wednesday, 8 January 2020 and Friday, 10 January 2020

Johannesburg
3 December 2019

Sponsor
Merchantec Capital