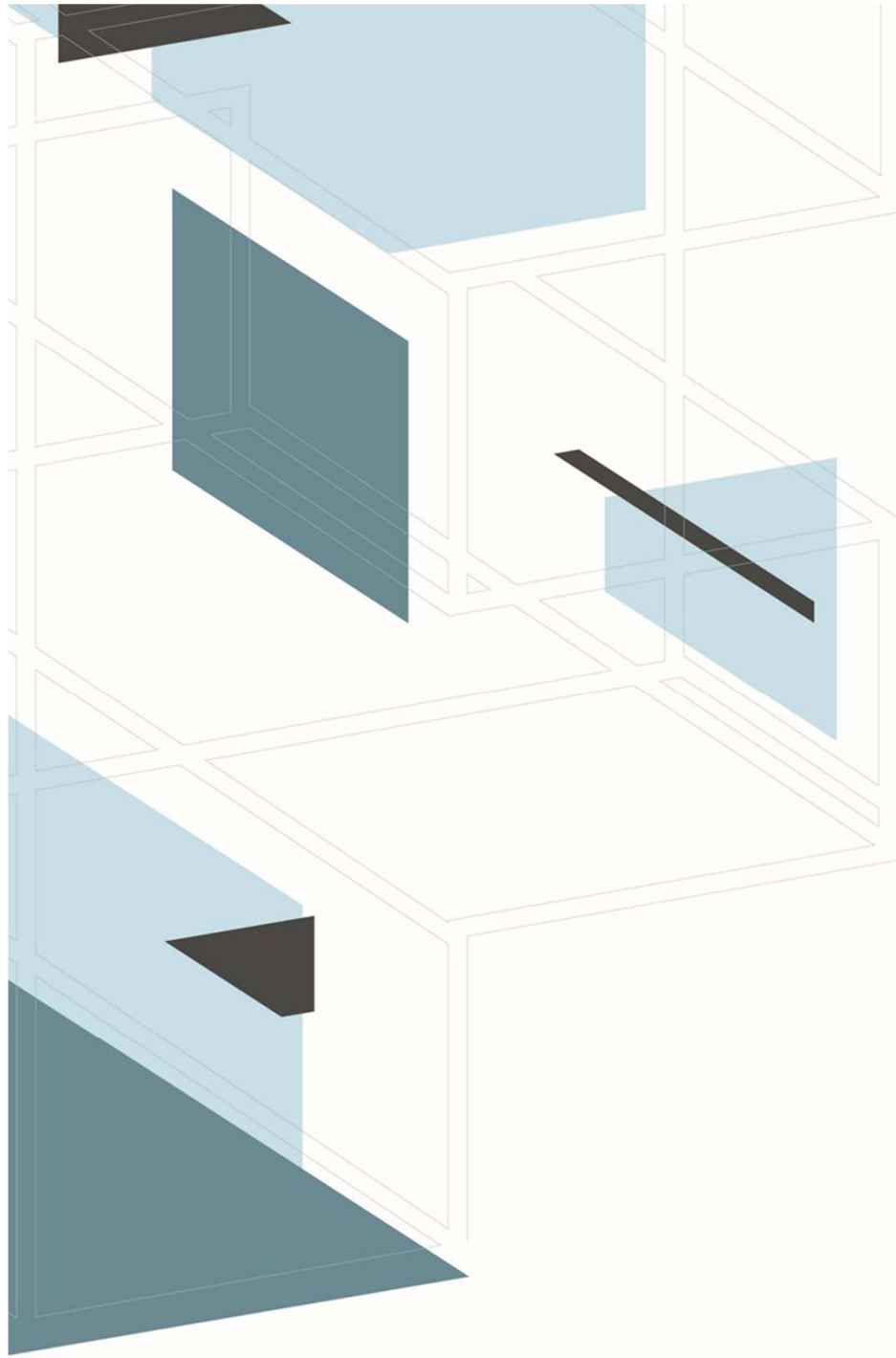


FREEDOM
PROPERTY FUND





PRESENTATION TO
SHAREHOLDERS
30 NOVEMBER 2017

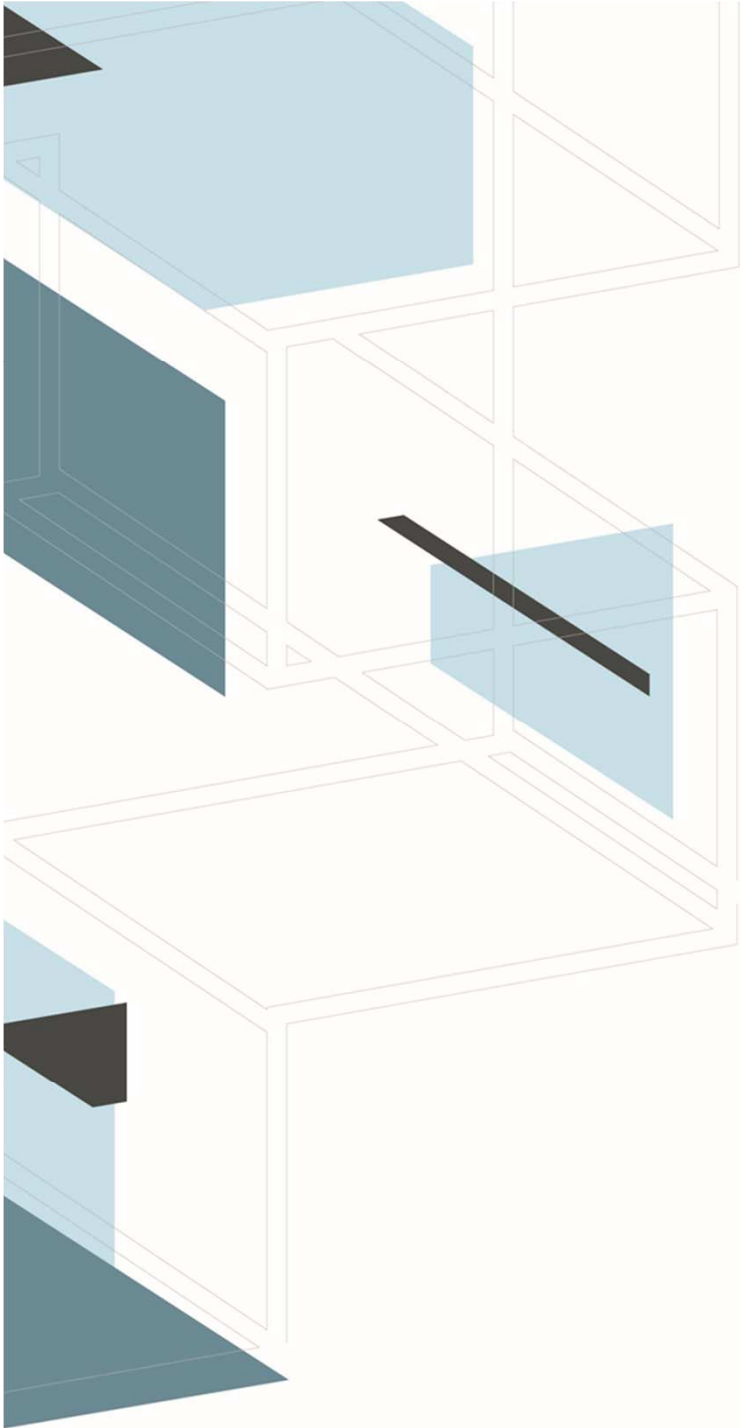
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PROPERTY FUND



AGENDA

1. The past 6 months
2. Valuations
3. Change of auditors
4. Lemon and Basket Trust
5. Projections
 - a. Cash flow
 - b. Issued shares
 - c. Liabilities / Obligations
5. Questions and answers
 - a. Past
 - b. Current
 - c. Future
6. Concluding remarks





1. The past 6 months

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1. The past 6 months

2017 June: Our IFRS expert started an intense interrogation regarding Bosman's valuation in conjunction with the Board, Management and the Auditors.

June 28: A conference call was held between our IFRS expert Glynnis Carthy, our sponsor Melanie de Nysschen, Jonathan George and the Auditors.

2017 July: We engaged with Mr G Ewing, an independent valuer, to do a desk-top review of some of the valuations done by Bosman.

Only then did we proceed with a revaluation process that commenced with us getting quotes from companies that are RICS registered.



1. The past 6 months(continued)

2017 July: We started engaging with Theuns Behrens from Real Insight to redo all valuations. The cost was R560,000 plus VAT.

We were also in constant communication with the auditors regarding the valuations and had vigorous discussions regarding the Lemon and the Basket Trust and also regarding the share based payments in 2013.

We started liaising with Coertzen regarding the VAT shares.

2017 July, 19: Stephen met with John Geel of KPMG regarding Cross Atlantic.



1. The past 6 months(continued)

2017 Aug: We also sold erf 1196 at Steelpoort for R5m.
The JSE approved the appointment of Real Insight.
Nedbank upgrade Freedom profile from credit risk to normal business.

2017 Sept, 11 We consulted with Prof Phillip Haupt on various tax matters.
We discovered that the PLS information regarding the Basket & Lemon Trust would appear to be fraudulent.
We also met with Wealth Migrate to discuss a possible sale or Joint Venture for Tweefontein and/or Tubatse Estate.

2017 Oct: We met with Johan Bosman regarding valuations



1. The past 6 months(continued)

2017 Oct: We had an information seeking discussion. People who attended were PSG, Base Capital, Statucor, Computershare and RSM. People who declined were Sean Rule and Patrick Burton. Bowman's confirmed to attend but did not arrive. Wayne Stocks tried to Skype from Kenya but could not get through.

We engaged with ENS regarding assistance in the pursuit of information gathering to be able to finalize the financial statements.

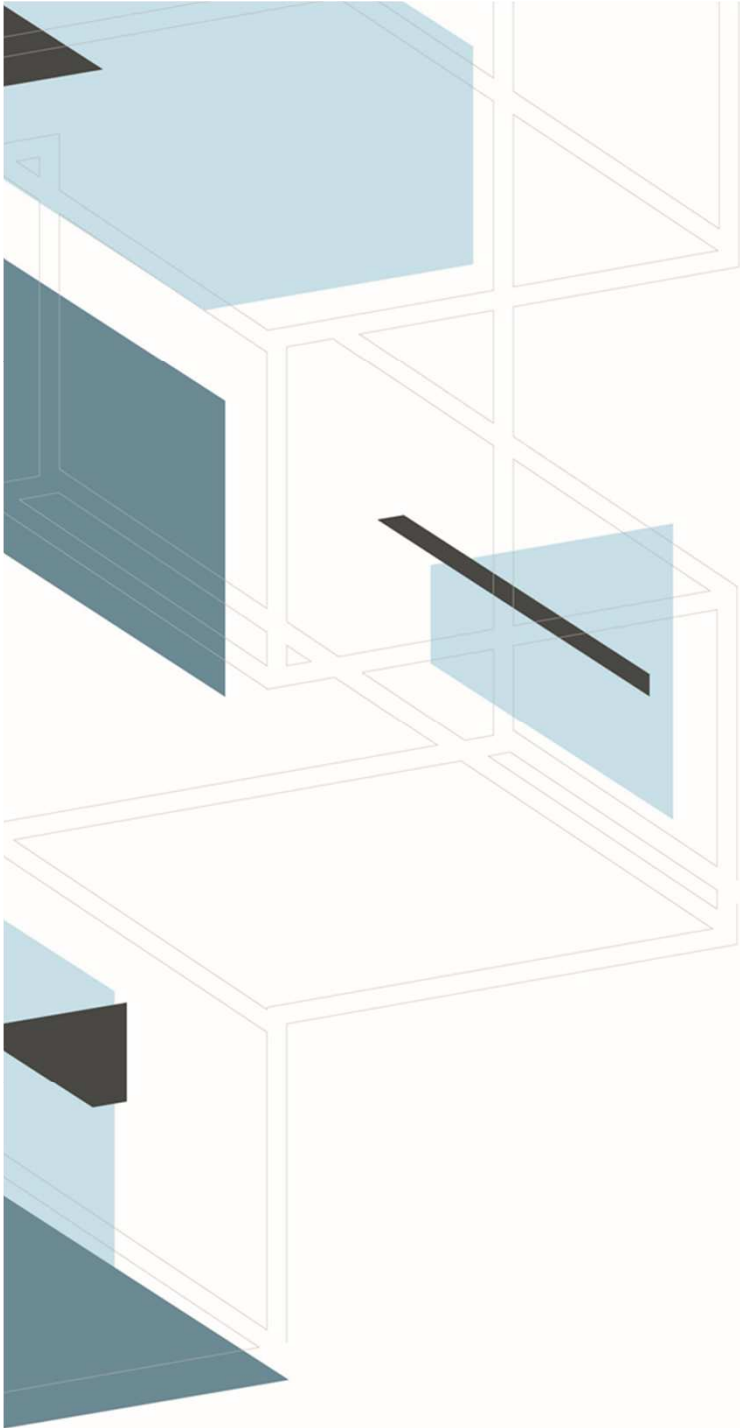
We set up an OTC (over-the-counter) market making in Freedom shares in conjunction with Prodigy Asset Managers. We have permission from the JSE for this.



1. The past 6 months(continued)

2017 Nov: Terminate services of RSM as external auditors
Appoint Moore Stephens as external auditors
Release new valuations to the market





2. Valuations

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2. Valuations

- Bosman done valuations since 2013
- RSM signed off 2014 and 2015 AFS based on Bosman valuations. This includes the August 2014 interim results and PLS.
- Were explicitly told by auditors that we have to use this basis as it complies with IFRS 13
- We wanted to reduce the values but this would send mixed messages to the market
- Valuations were not an issue when we discussed finalizing the audit with RSM in July 2016
- In September/ October 2016, RSM requested updated valuations for properties where we had development during the year. We agreed to this for Steelpoort and Tubatse homes.
- We all met with Bosman and he agreed to update his valuations.
- The auditors were then satisfied
- We then proceeded with the AFS



2. Valuations

- In December, RSM were not satisfied anymore when they were busy with final review
- Wanted to disclaim for Going concern and Valuations. We did not understand as we provided them, at our cost, further information in line with what they previously wanted to satisfy themselves.
- We indicated that nothing had changed. Gave them feedback that appeared to satisfy them at the time.
- We then started to focus on the AFS.
- In June 2017, our IFRS expert started an intense interrogation regarding Bosman's valuation in conjunction with the Board, Management and the Auditors. She indicated she was not a valuations expert but was not satisfied with the application of IFRS
- In June 2017, a conference call was held between our IFRS expert Glynnis Carthy, our sponsor Melanie de Nysschen, Jonathan George and the Auditors. We all agreed that we were not comfortable with the valuations.



2. Valuations

- Management and the board needed to decide on a way forward
- Before starting a massive revaluation process, we employed G Ewing, an independent valuer to do a desk-top review. He concluded that we should have the valuations re-done.
- We subsequently went through a process of identifying a suitable valuer, one who was RICS registered and also sought JSE approval.
- This led to the appointment of Real Insight (Represented by Theuns Behrens) to redo all valuations from the initial date of sale (See SENS issued 17 August 2017 and 28 November 2017).
- The valuation process commenced in August 2017 and was completed in November 2017.



2. Valuations

- A summary of the findings are as follows:

Date	Bosman valuation	Real Insight	Variance
Sale Dates (2013)	1 372 321 000	340 700 000	-1 031 621 000
PLS (2014)	1 561 500 000	340 700 000	-1 220 800 000
Year 2015	1 687 697 900	382 000 000	-1 305 697 900

3. Change of auditors



3. Change of auditors

- Our focus since July 2016 was to get the audit done as quickly as possible
- Had audit committee meeting in July 2016 where auditors were present.
- At the abovementioned meeting, the auditors were repeatedly asked if there were any other major issues they had, to which they replied no.
- We did request assistance from the auditors for information that was not available to us as it was withheld by previous management
- We were lead to believe the audit is close to completion
- We estimated that the audit would take 2 to 3 months max to complete
- We then discovered that the auditors were still busy with field work
- At the time, we believed that the best course of action, even if it did take more time, was to continue with the existing auditors.



3. Change of auditors

- We have to state that one of the delays was that the Financial Manager at the time, was the only person who had limited knowledge of some of the irregular transactions.
- The auditors did bring up additional audit requirements regarding valuations
- We continued to rely on the work that was previously audited by RSM.
- In October 2016 the CEO and The chair of Audit and Risk committee, met with RSM to establish if we are able to finalise the audit before December 2016.
- In November 2016 we got to the point where we gave RSM a first draft of the consolidated AFS.
- After feedback from RSM, we continued to make changes
- RSM also indicated that they wanted to disclaim the audit report due to Going Concern and Valuations



3. Change of auditors

- We resubmitted a draft in December 2016. This was not acceptable to RSM as there were items that we still needed to address.
- In the new year (January 2017), it was decided to engage the previous FM, to assist in finalizing the AFS. We checked with RSM who were satisfied with this approach.
- We continued to work on producing a complete set of AFS – it appeared though that what was acceptable previously by RSM was not anymore.
- On 9 February 2017 we gave RSM an updated draft
- At this date RSM decided to withdraw from the audit until such time as we paid all outstanding fees.
- We approached the JSE at this point as we believed the auditors withdrawing was not acceptable, considering that we had to date already paid more than R2m in fees.
- In March 2017, we appointed an IFRS expert (Glynnis Carthy) to assist us in completing the AFS



3. Change of auditors

- Only after we paid RSM a further R2m in May 2017, did they agree to continue. It was during this time that more and more queries were raised that made us uncomfortable.
- Freedom identified several incorrect applications of International Financial Reporting Standards (IFRS). This was signed off by RSM for 2015. These include:
 - the incorrect recognition of revenue;
 - Weskus, Pasta Point, Montanita, Montipeo
 - the incorrect capitalization of costs incurred when an acquisition of property was accounted for as a business combination
 - Gain on bargain purchase and Goodwill not disclosed correctly
 - the incorrect application of the highest and best use concept in IFRS 13 - Fair Value Measurement.
 - Related parties not adequately disclosed



3. Change of auditors

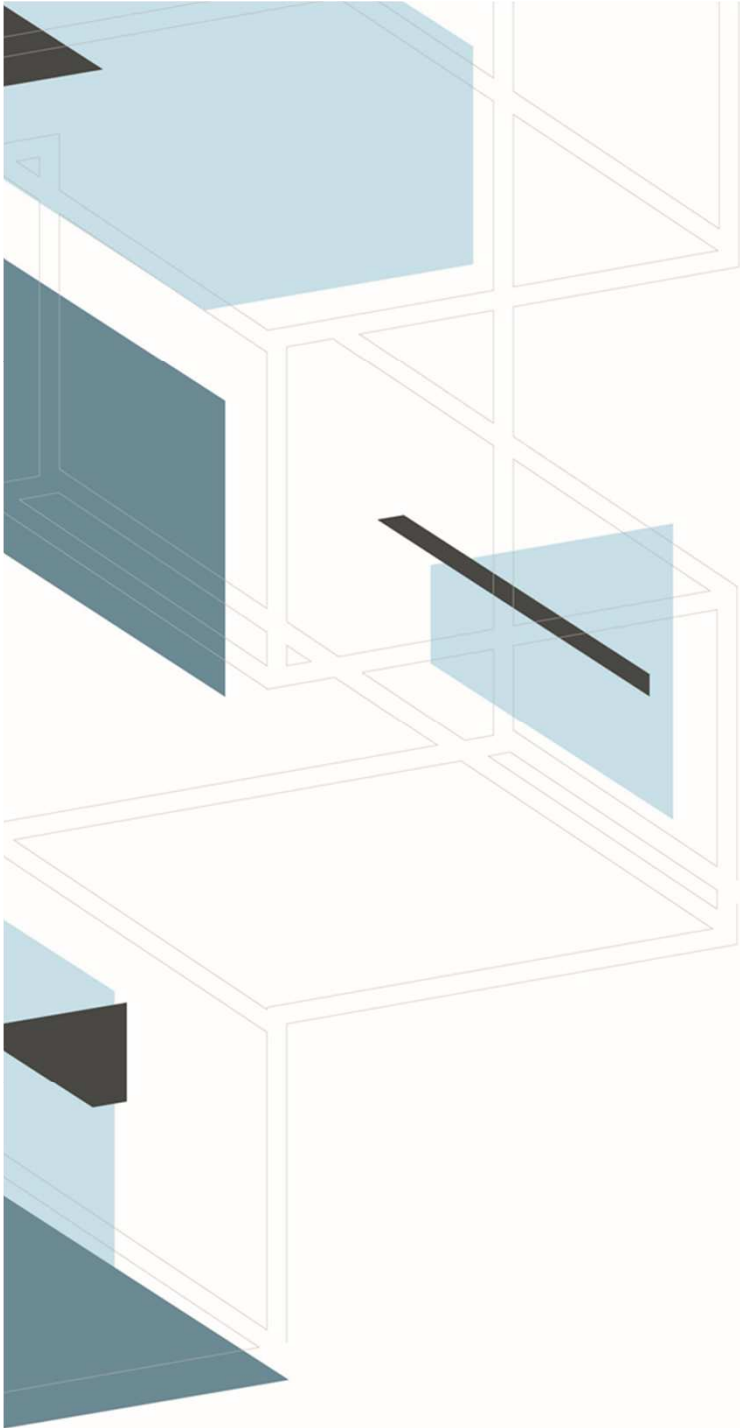
- Year-end transactions not adequately addressed
 - Montipeo, Cool Runnings/ Zambesa, Weskus
 - Share transactions not adequately considered
 - Share based payment reserve
 - Guaranteed shares accounting
 - Verification of year end balances not adequately audited
 - Transactions not in compliance with the PLS
-
- In time, Freedom will be restating the February 2015 annual financial statements and the August 2014 interim results.
 - In fact, if it were possible to restate the numbers in the pre-listing statement, these too, would be restated.
 - In summary, nothing that has previously been published can be relied upon.



3. Change of auditors

- The audit committee and the board believe that the most appropriate course of action was to replace the current auditors because they do not believe that they were suitable for their current appointment. The following issues were considered in reaching this conclusion:
 - The incorrect applications of IFRS should not have occurred and should not have been signed off by the auditors;
 - Given the fact that all previous sign-offs by the auditors were unqualified, they could be seen as not being independent. In effect, they would be auditing their own work if they were involved in the restatements.
 - The board will be reporting the auditors to the IRBA. In light of this, the board obtained legal advice on the possible mixed message that could arise if the restated financial statements were signed off by the current auditors and they were immediately reported to the IRBA.
 - The company is still considering whether further litigation will be considered against the auditors.





4. Lemon and Basket Trust

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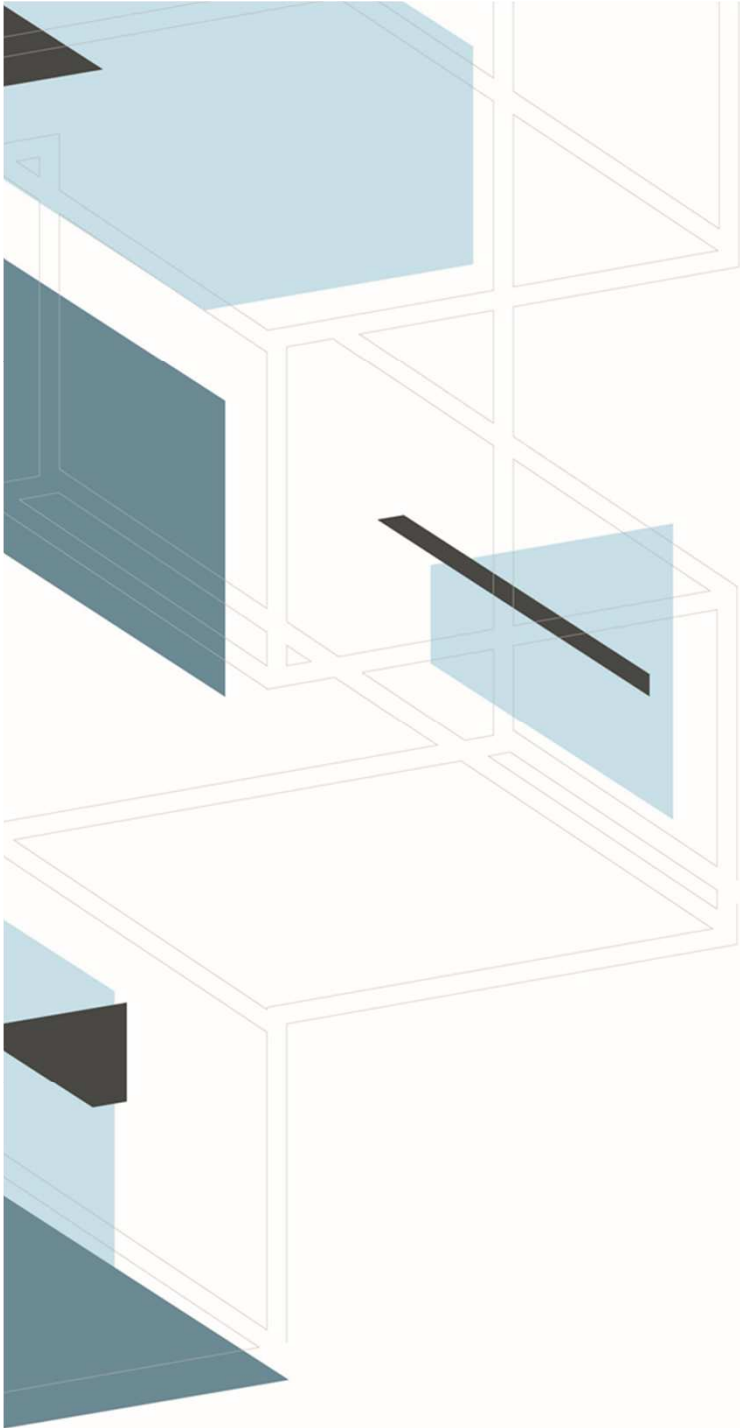


4. Lemon and Basket Trust

Name	Master's Reference number	Beneficially owned as stated in PLS Statement	Shares allotted and issued per PLS
Basket Trust	IT613/13	HJ Basson, WJ Basson & K Basson	35 013 000
Lemon Trust	IT622/13	L Gravett, SH Gravett, L Claassens, E Bronkhorst, H Hollander, JG Erasmus and L Pelser	165 854 000
			200 867 000

Name			Shares actually issued on day 1
Bronkhorst, E			200 000
Erasmus, G J			1 000 000
Claassens, L			200 000
Die Kleine Vallei Kinder Trust			8 000 000
Die Le Roux Familie Trust			12 000 000
Kanaan Properties			1 000 000
Lemoenkloof Trust			3 135 000
			25 535 000





5. Projections

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5a. Brief overview

The numbers set out below do not constitute a profit forecast, is illustrative in nature only, and is subject to change. It reflects management's current views only and results from management's strategy regarding the selling of non-core assets. Shareholders' attention is drawn to the negative effect current market conditions together with negative market valuations have had on the saleability of the assets mentioned.

	<u>Oct 17</u>	<u>Nov 17</u>	<u>Dec 17</u>	<u>Jan 18</u>	<u>Feb 18</u>	<u>Mar 18</u>	<u>Apr 18</u>	<u>May 18</u>	<u>Jun 18</u>	<u>Jul 18</u>	<u>Aug 18</u>	<u>Sep 18</u>	<u>Oct 18</u>	<u>TOTAL</u>
Capital income	5 875 000	2 375 000	375 000	4 050 000	0	4 500 000	8 500 000	4 000 000	1 000 000	5 500 000	6 500 000	1 000 000	13 250 000	56 925 000
Outstanding settlement				350 000				0	0	0	0	0	0	350 000
Emfuleni						1 000 000		1 000 000	0	1 000 000	0	1 000 000	0	4 000 000
Gonubie							4 500 000	0	0	0	0	0	0	4 500 000
Kadoma	1 000 000			1 000 000			3 000 000	0	0	3 500 000	4 500 000	0	0	13 000 000
Kuka Ropeway				1 000 000				0	0	0	0	0	0	1 000 000
Lampiesbaai	375 000	375 000	375 000			2 500 000		0	0	0	0	0	0	3 625 000
Propmed								0	0	0	0	0	1 250 000	1 250 000
Sweet Waters								0	0	0	0	0	10 000 000	10 000 000
Tubatse Homes		2 000 000						2 000 000	0	0	2 000 000	0	2 000 000	8 000 000
VAT & Tax	4 500 000			1 700 000				0	0	0	0	0	0	6 200 000
Wespark						1 000 000	1 000 000	1 000 000	1 000 000	1 000 000	0	0	0	5 000 000
Capital repayments	2 350 000	800 000	2 100 000	1 200 000	1 200 000	2 550 000	8 500 000	7 400 000	500 000	6 500 000	500 000	500 000	15 500 000	49 600 000
Auditors		200 000				1 500 000		1 500 000		1 000 000				4 200 000
City of Matlosana				200 000	200 000	200 000	200 000	200 000	0	0	0	0	0	1 000 000
Izak Botha							2 600 000	0	0	0	0	0	0	2 600 000
Kadoma assets/ infrastructure				250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	2 500 000
Kadoma Bonds							5 000 000	5 000 000	0	5 000 000	0	0	15 000 000	30 000 000
Kadoma/ Tweefontein zoning				150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000	1 500 000
Miscellaneous	1 500 000		1 500 000					0	0	0	0	0	0	3 000 000
Operational losses	600 000	600 000	600 000	500 000	500 000	350 000	200 000	200 000	0	0	0	0	0	3 550 000
Tubatse Estate - Municipal				100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	1 000 000
Van Der Spuy	250 000	0	0					0	0	0	0	0	0	250 000
SURPLUS	3 525 000	1 575 000	-1 725 000	2 850 000	-1 200 000	1 950 000	0	-3 400 000	500 000	-1 000 000	6 000 000	500 000	-2 250 000	7 325 000
	3 525 000	5 100 000	3 375 000	6 225 000	5 025 000	6 975 000	6 975 000	3 575 000	4 075 000	3 075 000	9 075 000	9 575 000	7 325 000	14 650 000

Legend:

Green	Done
Mustard	Most Probable
Red	Probable
Blue	Possible

FREEDOM
PROPERTY FUND



5b. Issued shares

Issued shares

01 Jan 16	01 Jun 17	March 2018 (Projected)	December 2018 (Projected)
1,204bil	1,052bil	967m or	932m
		1,015bil +R12m cash	



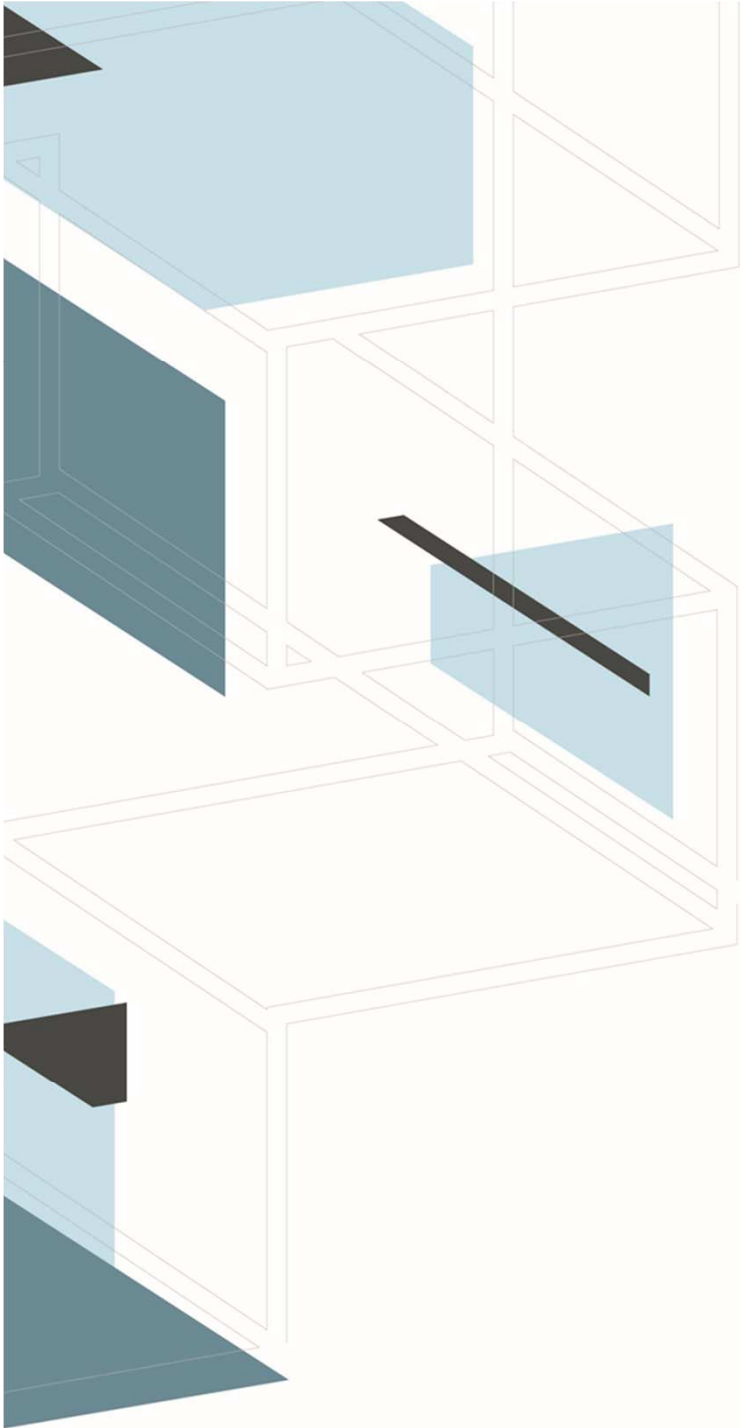
5c. Liabilities / Obligations

Capital Items

Liabilities/obligations

	01 Dec 15	01 Jun 17	01 Sep 17	01 Jun 18	01 Dec 18
Kadomo Bonds	R 90 000 000	R 78 000 000	R 75 000 000	R 65 000 000	R 48 000 000
Overdraft	R 10 000 000	-	-	-	-
Christo la Grange	R 42 000 000	R 42 000 000	R 42 000 000	R 42 000 000	R 42 000 000
Izak Botha	R 3 900 000	R 3 900 000	R 2 600 000	-	-
Creditors	R 10 000 000	R 3 000 000	R 2 000 000	-	-
TOTAL	R 155 900 000	R 126 900 000	R 121 600 000	R 107 000 000	R 90 000 000





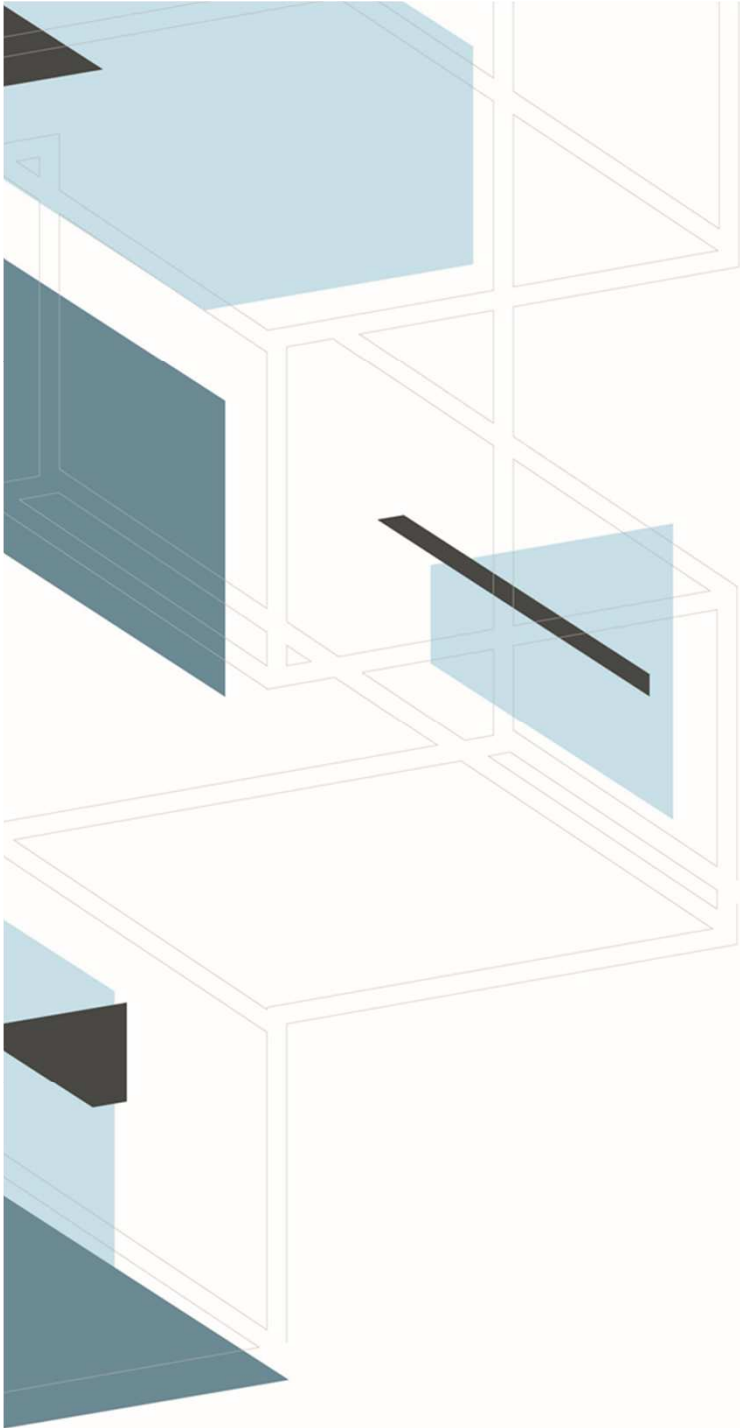
6. Questions and answers

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6. Questions and answers

- a) Past
- b) Current
- c) Future



7. Concluding remarks

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