

FDP 201708290045A  
Disposal Of Steelpoort Industrial Park (Erf No 1196)

Freedom Property Fund Limited  
(Incorporated in the Republic of South Africa)  
(Registration No. 2012/129186/06)  
Share code: FDP  
ISIN: ZAE000185260  
("Freedom" or the "Company")

DISPOSAL OF STEELPOORT INDUSTRIAL PARK (ERF NO 1196)

## 1. INTRODUCTION

Shareholders are advised that Freedom has accepted a valid and binding offer ("Offer") to dispose of a portion of Erf No 1196 (the "Property") at Steelpoort Industrial Park in terms of which the Provest Group (Pty) Limited (the "Purchaser") will acquire the Property for a total consideration of R5, 000, 000 (five million Rand) in cash ("Cash Consideration") (the "Disposal").

## 2. RATIONALE FOR THE DISPOSAL

The disposal is in line with Freedom's strategy of divesting of non-core assets as set out in an announcement released on the Securities Exchange News Service ("SENS") of JSE Limited (the "JSE") on 15 March 2016 (the "Announcement"). The proceeds will be applied within the Company in accordance with the details set out in the Announcement.

## 3. MATERIAL TERMS OF THE OFFER

### 3.1. Details of the Property

A portion of Erf 1196 as indicated in the Offer. The size of the property, subject to subdivision, is 0,92H.

### 3.2. Offer Terms

The Offer is subject to Freedom:

- making available at least 70kva of power as well as the right to drill for water on the Property;
- closing off the area next to the palisades next to the Macsteel Building not exceeding 6 meters from the Macsteel building and to install a second gate at the discretion of the Purchaser; and
- the subdivision of the Property for registration to the Purchaser.

Freedom has agreed to the above terms.

The Consideration will be received as follows: a deposit of R1, 000, 000 (one million Rand) receivable in September 2017, with the balance due and payable by the Purchaser on transfer of the Property, and subject to the sub-division referred to above.

### 3.3. Effective Date

The effective date of the Disposal is 29 August 2017, this being the date of signature of the Offer.

#### 3.4. Other

Pursuant to the above, the Company and the Purchaser will further enter into a formal sale agreement typical to a transaction of this nature.

#### 4. VALUE AND PROFITS ATTRIBUTABLE TO THE PROPERTY

The value of the Property, effective as of 28 February 2015, and as determined by an external valuer to the Company, Mr JS Bosman (M.I.V) (SA), is as set out below:

Erf 1196

Title deed number: T35998/2011

Location: Steelpoort Ext 10, Greater Tubatse Local Municipality, Limpopo

Sector: Industrial

Original purchase price: R2 316 820

Valuation (2015): R4 901 344 (however, currently under review, which details are set out in the SENS announcement dated 17 August 2017)

Gross lettable area: N/A

Weighted average rental per square meter: N/A

Gross rental income per month: N/A

Erf 1196 is presently zoned as private open space with a total extent of 1.7624Ha and hence is held for development and is not subject to a lease. No costs were contributed to the Company's earnings for the year ended 28 February 2015.

#### 5. CATEGORISATION

Due to its relative size to the market capitalisation of Freedom, the Disposal is deemed to constitute a Category 2 transaction under the JSE Listings Requirements.

Johannesburg  
29 August 2017

Sponsor and corporate advisor  
Bravura Capital Proprietary Limited

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