



FREEDOM PROPERTY FUND LIMITED

Incorporated in the Republic of South Africa

Registration number: 2012/129186/06

Share code: FDP

ISIN: ZAE000185260

("Freedom" or "the Company" or "the Group")

DISPOSAL OF A PROPERTY BY A WHOLLY-OWNED SUBSIDIARY OF THE GROUP

INTRODUCTION

Shareholders are advised that Kadoma Investments Proprietary Limited ("Kadoma"), which is a wholly-owned subsidiary of the Group, has accepted and signed an Offer to Purchase ("Offer") submitted by V Malapone ("Purchaser") to acquire Portion 15 of the Farm Tweefontein 360 in Limpopo ("the Property") (the "Sale").

The Property, in terms of a counter enquiry with the municipality, in terms of the current Town Planning Scheme 2006, indicate that the property is zoned for agricultural purposes. The property comprises vacant land that is perimeter fenced. A gravel runway extends across the property but the current serviceability thereof is unknown.

RATIONALE FOR THE SALE

The disposal is in line with Freedom's strategy as communicated to the market on 15 March 2016 (SENS – "Communication from the CEO of Freedom Property Fund")

PURCHASE CONSIDERATION

The total purchase consideration is R33 million payable in cash by no later than 28 June 2018.

The Sale has been concluded "voetstoots", save for warranties that are standard in respect of a transaction of this nature.

INFORMATION RELATING TO THE PROPERTY

The Property specifics are as follows:

Location:	Portion 15 of the Farm Tweefontein No. 360 in the Province of Limpopo.
Rentable area:	Approx. 290 hectares
Valuation: (Note 1)	R2 200 000
Weighted average rental per square metre for the rentable area:	Rnil
Original purchase price:	Freedom acquired Kadoma Investments (Pty) Ltd for an aggregate purchase consideration of R267 420 000. No distinction is made between Tweefontein and Steelpoort Industrial in terms of the original purchase consideration.
Date initially acquired:	1 March 2014



Note 1 – An independent external valuation has been obtained from Real Insight in respect of the Property (“Independent Valuation”), which valuation was undertaken by Heinrich Norden Hartman (Professional Valuer), and assisted by Theuns Behrens (Professional Associated Valuer), registered without restriction in terms of the Property Valuers Profession Act, No. 47 of 2000. The value attributed at 28 February 2017 has been derived from direct comparison method of valuation.

EFFECTIVE DATE

The effective date of the Sale will be the date of registration of the transfer of the Property into the name of the Purchaser.

VALUE OF NET ASSETS AND PROFIT ATTRIBUTABLE TO THE PROPERTY

The current value of the net assets that are the subject of the Sale is R2 200 000 in terms of an Independent Valuation. The current profits attributable to the net assets that are the subject thereof are Rnil.

The above financial information is based on the unaudited management accounts of Freedom for the year ended 28 February 2018, reported in accordance with International Financial Reporting Standards. Freedom is satisfied with the quality of the management accounts.

CATEGORISATION, CONDITION PRECEDENT AND CIRCULAR TO SHAREHOLDERS

In terms of the JSE Limited Listings Requirements, the Sale is a Category 1 transaction and accordingly it is conditional upon the approval of shareholders by way of an ordinary resolution at a general meeting.

A circular setting out all the details of the Sale, and incorporating a notice of a general meeting, will be distributed to shareholders of the Company in due course.

Paarl
1 June 2018

Sponsor and Corporate Advisor



Questco Corporate Advisory Proprietary Limited