

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Circular apply *mutatis mutandis* throughout this Circular including this cover page.

If you are in any doubt as to the action you should take, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser.

Message to Freedom Shareholders

This Circular is important and has been issued by Freedom in order to rectify aspects relating to the Las Manos and Ligitprops Transactions which were not dealt with appropriately at the time they were concluded. Shareholders are encouraged to read this Circular in its entirety, however, their attention is directed, in particular, to paragraph 6.3 which deals with a Legal Opinion and matters relating to the TRP. The JSE has considered the contents of the Circular to ensure that the Company has complied with the necessary disclosures in terms of the Listings Requirements but considers the Ratification and the Subsequent Repurchase to be legal processes to be completed by the Company. However, the Board has resolved to proceed with the Ratification and the Subsequent Repurchase, subject to the requisite approval being obtained from Shareholders.

Action required

Shareholders are referred to page 2 entitled "Action required by Freedom Shareholders", which sets out the action required of them with regard to this Circular.

If you have disposed of all your Shares in Freedom, then this Circular should be forwarded to the purchaser to whom, or the Broker, agent or CSDP through whom, you disposed of your Shares.

Freedom does not accept any responsibility and will not be held liable for any failure on the part of CSDPs or Brokers of Dematerialised Shareholders to notify such Shareholders of the information set out in this Circular.



FREEDOM PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2012/129186/06)

Share code: FDP ISIN: ZAE000185260

CIRCULAR TO FREEDOM SHAREHOLDERS

relating to

- the Ratification of the Las Manos and Ligitprops Transactions and the approval of the proposed Subsequent Repurchase of the Zambesa Treasury Shares,

including:

- a report by the Independent Expert as regards the Subsequent Repurchase prepared in accordance with sections 114(2) and (3) of the Companies Act;
- extracts of sections 115 and 164 of the Companies Act dealing with fundamental transactions and Dissenting Shareholders' Appraisal Rights;
- a notice of a General Meeting; and
- a Form of Proxy for use by Certificated Shareholders and Own Name Dematerialised Shareholders only.

Date of issue: 19 July 2019

Sponsor



Independent Expert



Legal Advisor



This Circular is available in English only and copies may be obtained from the registered office of Freedom or Questco during normal office hours from the date of issue hereof until the date of the General Meeting. An electronic copy of this Circular will be available on the Company's website, [www.freedomprop.co.za/Investor Relations/News](http://www.freedomprop.co.za/Investor%20Relations/News) and press releases from the issue date of the Circular.

CORPORATE INFORMATION

Directors

Executive

Stephen Maritz (CEO)
Willem Christoffel Jansen van Rensburg

Non-Executive

Hugo Amos Lambrechts
Christo la Grange

Independent Non-Executive

Willem Stephanus Grobbelaar (Chairman)
Phillip David Dexter

Precribed Officer – Acting financial director

Jonathan George (CA(SA))

Registered office

KWV Building
57 Main Street
Paarl, 7476
(PO Box 188, Paarl, 7620)

Date of incorporation: 19 July 2012

Place of incorporation: Pretoria

Company Secretary

Statucor Proprietary Limited
(Registration number 1989/005394/07)
22 Wellington Road
Parktown, Johannesburg, 2193
(Private Bag X60500, Houghton, 2041)

Sponsor

Questco Corporate Advisory Proprietary Limited
(Registration number 2011/106751/07)
1st Floor, Yellowwood House
Ballywoods Office Park
33 Ballyclare Drive
Bryanston, 2021

Transfer Secretaries

4 Africa Exchange Registry Proprietary Limited
(Registration number 2016/396777/07)
1st Floor, Cedar Woods House
Ballywoods Office Park
33 Ballyclare Drive
Bryanston, 2021
(Postnet Suite 532,
Private Bag X51
Bryanston, 2021)

Independent Expert

Nodus Capital TS Proprietary Limited
(Registration number 2014/226782/07)
Building 2, Commerce Square Office Park
39 Rivonia Road
Sandhurst, 2196
(PO Box 55369, Northlands, 2116)

Legal Advisor

Cliffe Dekker Hofmeyr Inc
(Registration number 2008/018923/21)
11 Buitengracht Street
Cape Town, 8001
(PO Box 695, Cape Town, 8000)

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ACTION REQUIRED BY FREEDOM SHAREHOLDERS

If you are in any doubt as to what action to take, you should consult your CSDP, Broker, attorney or other professional adviser immediately.

A General Meeting will be held at the Company's offices, KWV Building, 57 Main Street, Paarl, Cape Province on Tuesday, 20 August 2019 at 10:00, to consider, and if deemed fit, approve the Resolutions.

You should read this Circular carefully and decide how you wish to vote on the Resolutions to be proposed at the General Meeting. The notice convening the General Meeting is attached to and forms part of this Circular.

If you have Dematerialised your Freedom Shares without Own Name Registration:

(a) Voting at the General Meeting

- (i) Your CSDP/Broker is obliged to contact you in the manner stipulated in the agreement concluded between you and your CSDP/Broker to ascertain how you wish to cast your vote at the General Meeting and thereafter to cast your vote in accordance with your instructions.
- (ii) If you have not been contacted, it would be advisable for you to contact your CSDP/Broker and furnish it with your voting instructions.
- (iii) If your CSDP/Broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the agreement concluded between you and your CSDP/Broker.
- (iv) You must NOT complete the attached Form of Proxy.

(b) Attendance and representation at the General Meeting

In accordance with the agreement between you and your CSDP/Broker, you must advise your CSDP/Broker if you wish to attend the General Meeting in person or if you wish to appoint a proxy to represent you thereat and your CSDP/Broker will issue the necessary letter of representation for you or your proxy to attend the General Meeting.

If you have not Dematerialised your Freedom Shares or you have Dematerialised your Freedom Shares with Own Name Registration:

(a) Voting, attendance and representation at the General Meeting

- (i) You may attend and vote at the General Meeting in person.
- (ii) Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy in accordance with the instructions contained therein and returning it to the Transfer Secretaries to be received by no later than the commencement of the General Meeting.

SALIENT DATES AND TIMES

Events	2019
Record date as determined by the Board in accordance with section 59 of the Companies Act for Freedom Shareholders to be eligible to receive the Circular and notice of General Meeting	Friday, 12 July
Announcement released on SENS relating to the posting of the Circular and the notice convening the General Meeting	Friday, 19 July
Last day to trade in order to be eligible to vote at the General Meeting	Monday, 5 August
Record date in order to vote at the General Meeting	Thursday, 8 August
Receipt of Forms of Proxy by 10:00 (note 3)	Friday, 16 August
General Meeting to be held at 10:00	Tuesday, 20 August
Results of the General Meeting released on SENS on or about	Tuesday, 20 August
Delisting of the Zambesa Treasury shares on or about	Friday, 23 August

Notes:

1. The above dates and times are subject to amendment and any amendment made will be released on SENS.
2. All times given are South African local times.
3. Forms of Proxy may also be handed to the Chairman at the commencement of voting on the Resolutions at the General Meeting.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise, the words in the first column shall have the meanings assigned to them in the second column, the singular includes the plural and *vice versa*, an expression which denotes one gender includes the other gender, a natural person includes a juristic person and *vice versa*, and cognate expressions shall bear corresponding meanings:

“Act” or “Companies Act”	the Companies Act, No. 71 of 2008, as amended;
“Apple Way”	Apple Way Props Proprietary Limited (registration number 2013/001846/07), a private company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Freedom;
“Appraisal Rights”	the rights afforded to Freedom Shareholders under section 164 of the Companies Act, as set out in Annexure 2 of this Circular;
“Bilko”	Bilko Investments Proprietary Limited (registration number 1996/015556/07), a private company incorporated in accordance with the laws of South Africa and prior to the Bilko Agreement, a wholly-owned subsidiary of Freedom;
“Bilko Agreement”	the Sale of Shares Agreement dated 9 June 2014 between Freedom, Halcyware Proprietary Limited (registration number 2011/107416/07) (“Halcyware”) and Bilko in terms of which Freedom sold its shares and claims in Bilko to Halcyware for a purchase price of R12 million, to be settled by the transfer of 12 million Freedom Shares to Freedom simultaneously with the transfer of the shares in Bilko to Halcyware, which occurred prior to the Company’s listing on the JSE;
“Board” or “Directors”	the board of directors of Freedom as at the Last Practicable Date;
“Broker”	any person registered as a “broking member (equities)” in terms of the Rules of the JSE made in accordance with the provisions of the Financial Markets Act;
“CDH”	Cliffe Dekker Hofmeyr Inc (registration number 2008/018923/21), the Company’s legal advisor;
“Certificated Shareholders”	Shareholders holding Shares represented by a paper share certificate or other physical document of title, which Shares have not been surrendered for Dematerialisation in terms of the Strate system and which may no longer be traded on the JSE;
“CIPC”	Companies and Intellectual Property Commission established in terms of section 185 of the Act;
“Circular”	this bound document, dated 19 July 2019, which includes the Notice;
“Companies Regulations”	the Companies Regulations, 2011 issued in terms of the Companies Act;
“Cool Runnings”	Cool Runnings Proprietary Limited (registration number 2014/268284/07), a private company incorporated in accordance with the laws of South Africa, which company was not a subsidiary of Freedom but a company under the control of NT Govender, former Chief Executive Officer of Freedom who resigned from Freedom with effect from 23 January 2016;
“CSDP”	Central Securities Depository Participant as defined in the Financial Markets Act appointed by an individual shareholder for the purposes of, and in regard to the Dematerialisation of documents of title for the purposes of incorporation into Strate;

“Dematerialise” or “Dematerialisation”	the process by which securities held by Certificated Shareholders are converted or held in an electronic form as uncertificated securities and recorded in a sub-register of security holders maintained by a CSDP or Broker;
“Dematerialised Shareholders”	Shareholders who hold Freedom Shares which have been Dematerialised;
“Dissenting Shareholders”	Shareholders who validly exercise appraisal rights in terms of section 164 of the Companies Act in respect of their shareholding in Freedom in accordance with the provisions of section 164 of the Companies Act objecting to the Subsequent Repurchase Special Resolution;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Form of Proxy”	the Form of Proxy attached to and forming part of this Circular;
“Freedom” or “the Company”	Freedom Property Fund Limited (registration number 2012/129186/06), a public company incorporated in accordance with the laws of South Africa, the Shares of which are suspended from trading on the JSE;
“Freedom Group” or “Group”	Freedom and its Subsidiaries;
“Freedom Shareholders” or “Shareholders”	the holders of Freedom Shares;
“Freedom Shares” or “Shares”	ordinary shares of no par value in the issued share capital of Freedom;
“General Meeting”	the General Meeting of Shareholders to be held at 10:00 on Tuesday, 20 August 2019 at KVV Building, 57 Main Street, Paarl, Cape Province, for the purposes of considering and, if deemed fit, to pass with or without amendment the Resolutions;
“Happy Boom”	Happy Boom Drive Properties Proprietary Limited (registration number 2012/015892/07), a private company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Freedom;
“Hostprops”	Hostprops 97 Proprietary Limited (registration number 1999/005294/07), a private company incorporated in accordance with the laws of South Africa and one of the original purchasers in terms of the Ligitprops Transaction;
“IFRS”	International Financial Reporting Standards as issued by the Board of the International Accounting Standards Committee from time to time;
“Independent Expert” or “Nodus Capital”	Nodus Capital TS Proprietary Limited (registration number 2014/226782/07), a private company incorporated in accordance with the laws of South Africa, further details of which are set out in the “Corporate Information” section of this Circular, appointed as the independent expert to Freedom in terms of sections 114(2) and (3) of the Companies Act in relation to the Subsequent Repurchase;
“Initial Repurchase”	in terms of the Las Manos and Ligitprops Transactions, the repurchases of Shares which are to be approved retrospectively in terms of the Ratification;
“JSE”	the Johannesburg Stock Exchange, operated by JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, which is licensed as an exchange under the Financial Markets Act;
“Las Manos”	Las Manos Investments 152 Proprietary Limited (registration number 2010/007881/07), a public company incorporated in accordance with the laws of South Africa, previously a subsidiary of Freedom;

“Las Manos Agreement”	the Sale of Shares and Cession of Shareholder’s Loan Account Agreement dated 15 March 2016 and the Addendum thereto dated 26 April 2016 between Happy Boom, Freedom, Data Force Trading 220 Proprietary Limited (registration number 2002/013463/07) and WT de Swart, as the purchasers, and Las Manos resulting in the Las Manos Transaction;
“Las Manos Purchasers”	collectively, Data Force Trading 220 Proprietary Limited and WT de Swart in terms of the Las Manos Agreements;
“Las Manos Sale Shares”	the 7 050 000 Freedom Shares acquired pursuant to the Las Manos Transaction, held by Zambesa as nominee and included in the Zambesa Treasury Shares;
“Las Manos Transaction”	the sale by Freedom’s wholly-owned subsidiary Happy Boom, in terms of the Las Manos Agreement, of its equity stake in Las Manos as detailed in a SENS announcement dated 15 March 2016, a copy of which is incorporated by reference as set out in paragraph 18;
“Last Practicable Date”	12 July 2019, being the last practicable date prior to the finalisation of this Circular;
“Legal Opinion”	the legal opinion issued by CDH referred to in paragraph 6.3;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“Ligitprops”	Ligitprops 184 Proprietary Limited (registration number 1998/002729/07), a private company incorporated in accordance with the laws of South Africa and prior to the Ligitprops Transaction, a wholly-owned subsidiary of Freedom (through Apple Way);
“Ligitprops Agreements”	the Sale of Shares agreement dated 23 May 2016, entered into between the Ligitprops Purchasers and Apple Way, in terms of which the Ligitprops Purchasers acquired the Ligitprops Shares and Claims from Freedom’s wholly-owned subsidiary Apple Way, which agreement was replaced by a Sale of Shares agreement, dated 8 September 2016, in which Hostprops, as one of the Ligitprops Purchasers was replaced by Nuweveld, and an Addendum (to the agreement dated 8 September 2016) dated 28 September 2016 ;
“Ligitprops Purchasers”	collectively Nuweveld and LLM Developments in terms of the Addendum to the Ligitprops Agreements;
“Ligitprops Shares”	100% of the issued ordinary and preference share capital of Ligitprops (being R200 divided into 120 ordinary shares of R1.00 and 80 preference shares of R1.00 each) and all shareholder claims of whatever nature against Ligitprops;
“Ligitprops Sale Shares”	the 150 000 000 Freedom Shares acquired pursuant to the Ligitprops Transaction, held by Zambesa as nominee and included in the Zambesa Treasury Shares;
“Ligitprops Transaction”	the disposal by Apple Way of the Ligitprops Shares to the Ligitprops Purchasers in terms of the Ligitprops Agreements;
“LLM Developments”	LLM Developments Proprietary Limited (registration number 2013/000163/07), a private company incorporated in accordance with the laws of South Africa and one of the purchasers in terms of the Ligitprops Transaction;
“Notice”	the notice of General Meeting attached hereto and forming part of this Circular, inclusive of the Form of Proxy;

“Nuweveld”	Nuweveld Boerdery Proprietary Limited (registration number 2005/04219/07), a private company incorporated in accordance with the laws of South Africa, and one of the purchasers in terms of the Ligitprops Transaction;
“Own Name Registration”	Dematerialised Shareholders who have registered their Shares in their own name with a CSDP in terms of the Financial Markets Act;
“PLS”	the Pre-Listing Statement issued by Freedom on 5 June 2014 relating to the listing of its Shares on the JSE and which is incorporated by reference as set out in paragraph 18;
“Questco”	Questco Corporate Advisory Proprietary Limited (registration number 2011/106751/07), a private company incorporated in accordance with the laws of South Africa and the duly appointed Sponsor of the Company;
“Permissible Limit”	the maximum number of ordinary shares that may be held by a subsidiary holding such shares as treasury shares, in terms of section 48(2)(b)(i) of the Companies Act, being 10% in aggregate of the ordinary shares in issue of a Company;
“Ratification”	the special resolutions to be approved by shareholders which are required, in terms of the Listings Requirements, to retrospectively approve the acquisition by Freedom's wholly-owned subsidiary Happy Boom of the Las Manos Sale Shares and the acquisition by Freedom's wholly-owned subsidiary Apple Way of the Ligitprops Sale Shares;
“Related Party Circular”	the circular to Shareholders dated 4 April 2016, in which proposed amendments to the settlement terms of obligations emanating from guarantee shares held by the Christo la Grange Gesins Trust were contained, which circular is incorporated by reference as set out in paragraph 18;
“Resolutions”	the special and ordinary resolutions required to be approved by Shareholders in order to give effect to the Ratification and the Subsequent Repurchase;
“SENS”	the Stock Exchange News Service of the JSE;
“Settlement Agreement”	the Share Repurchase and Settlement of Loan Claims agreement, dated 6 November 2018 entered into between Apple Way, Happy Boom and Freedom in terms of which Apple Way and Happy Boom will settle their loan claims owing to Freedom by disposing of a total of 157 050 000 Freedom Shares held by Zambesa, as nominee, in terms of the Subsequent Repurchase and the Addendum thereto dated 13 June 2019;
“South Africa”	the Republic of South Africa;
“Specific Repurchases”	the Initial and Subsequent Repurchases;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa, a registered central securities depository in terms of the Financial Markets Act;
“Subsequent Repurchase”	the repurchase by Freedom of the Zambesa Treasury Shares, as detailed in paragraph 6.6.2;
“Subsequent Repurchase Special Resolution”	Special Resolution number 3 set out in the Notice;
“Subsidiary” or “Subsidiaries”	shall have the meaning ascribed thereto in the Companies Act;
“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;

“Takeover Regulations”	the regulations published in terms of section 120 of the Companies Act and set out in Chapter 5 of the Companies Regulations;
“Transfer Secretaries”	4 Africa Exchange Registry Proprietary Limited (registration number 2016/396777/07), a private company incorporated in accordance with the laws of South Africa and the transfer secretaries of Freedom;
“Tubatse Estate”	Tubatse Estate Proprietary Limited (registration number 2005/013333/07), a private company incorporated in accordance with the laws of South Africa and previously partially owned by Freedom, details of which are set out in the PLS;
“Zambesa”	Zambesa Investments Proprietary Limited (registration number 1993/001566/07), a private company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Freedom; and
“Zambesa Treasury Shares”	the 157 050 000 Shares in the Company (constituting 13.04% of the Company’s issued Shares) held by Zambesa, as nominee, as at the Last Practicable Date, as treasury shares as detailed in paragraph 6.6.2 and comprising the Las Manos Sale Shares and the Ligitprops Sale Shares.



FREEDOM

PROPERTY FUND

FREEDOM PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2012/129186/06)

Share code: FDP ISIN: ZAE000185260

CIRCULAR TO FREEDOM SHAREHOLDERS

1. BACKGROUND TO THE SPECIFIC REPURCHASES

In terms of the Subsequent Repurchase, Freedom will repurchase the Freedom Shares held by Zambesa, as nominee for Happy Boom and Apple Way, which were initially acquired by Zambesa in terms of the Las Manos and Ligitprops Transactions. Further details relating to the Las Manos and Ligitprops Transactions are set out below.

1.1 The Las Manos Transaction

- 1.1.1 As announced on SENS on 15 March 2016, and in terms of the Las Manos Agreement, a wholly-owned subsidiary of Freedom, Happy Boom, sold its equity stake in Las Manos for R2.1 million in cash and the delivery of 7 050 000 Freedom Shares.
- 1.1.2 Accordingly, Happy Boom acquired 7 050 000 Freedom Shares which were held as treasury shares by Zambesa as its nominee.
- 1.1.3 At the time thereof, the Las Manos Transaction was not categorised as a category 1 nor a category 2 transaction in terms of the Listings Requirements and as such, did not require Shareholders' approval or announcement, however, the transaction resulted in the creation of treasury shares.
- 1.1.4 The acquisition of the Las Manos Sale Shares by Happy Boom is deemed to be a specific repurchase of its own Shares by Freedom in terms of paragraph 5.69(b) of the Listings Requirements and must therefore comply with paragraph 5.69 of the Listings Requirements and Shareholders' approval obtained in respect thereof.
- 1.1.5 The board of directors of Happy Boom has in terms of a ratifying resolution dated 19 February 2019, *inter alia*, ratified the Las Manos Transaction for purposes of section 48(2) read with section 46(1)(c) of the Companies Act and resolved that at the time thereof and following the implementation of the Las Manos Transaction, Happy Boom was solvent and liquid as contemplated in section 4 of the Act.
- 1.1.6 Freedom has loans receivable from Happy Boom, which, in terms of the Settlement Agreement, will be offset against the value of the Las Manos Sale Shares in full settlement of that loan and as further detailed in paragraph 7.

1.2 The Ligitprops Transaction

- 1.2.1 As announced on SENS on 24 May 2016 and in terms of the Ligitprops Agreements, Freedom's wholly-owned subsidiary, Apple Way, sold its equity stake in Ligitprops to the Ligitprops Purchasers. The total consideration payable by the Ligitprops Purchasers to Freedom in respect of the Ligitprops Transaction comprised R7.5 million in cash and the delivery to Apple Way's nominee (Zambesa) of 150 million Freedom Shares.

- 1.2.2 Accordingly, Apple Way acquired 150 million Freedom Shares which were held as treasury shares by Zambesa as its nominee.
- 1.2.3 At the time thereof, the Ligitprops Transaction was categorised as a category 2 transaction in terms of the Listings Requirements and as such, did not require Shareholders' approval, however, the transaction resulted in the creation of treasury shares.
- 1.2.4 The acquisition of the Ligitprops Sale Shares by Apple Way is deemed to be a specific repurchase of its own Shares by Freedom, in terms of paragraph 5.69(b) of the Listings Requirements and must therefore comply with paragraph 5.69 of the Listings Requirements and Shareholders' approval obtained in respect thereof. Furthermore, the delivery of the Ligitprops Sale Shares to Zambesa (as nominee) has resulted in a Subsidiary holding treasury shares in excess of the Permissible Limit.
- 1.2.5 The board of directors of Apple Way has in terms of a ratifying resolution dated 19 February 2019, *inter alia*, ratified the Ligitprops Transaction for purposes of section 48(2) read with section 46(1)(c) of the Companies Act and resolved that at the time thereof and following the implementation of the Ligitprops Transaction, Apple Way was solvent and liquid as contemplated in section 4 of the Act.
- 1.2.6 Freedom has loans receivable from Apple Way, which, in terms of the Settlement Agreement, will be offset against the value of the Ligitprops Sale Shares in full settlement of that loan and as further detailed in paragraph 7.

1.3 Ratification

Freedom, in agreeing the terms of both the Las Manos and Ligitprops Transactions inadvertently engaged in transactions that are regulated as specific repurchases of Freedom Shares in terms of the Listings Requirements, which required Shareholders' approval by way of special resolutions in terms of the Listings Requirements. Freedom did not seek Shareholders' approval by way of special resolutions prior to finalising either the Las Manos or Ligitprops Transactions and accordingly will approach Shareholders for their retrospective approval of the Initial Repurchase by the Company of its own Shares in order to best remedy the Company's non-compliance with the Listings Requirements.

1.4 Subsequent Repurchase

Freedom will, following the Ratification, seek Shareholders' approval to repurchase the Zambesa Treasury Shares to ensure that the Shares held as treasury shares are within the Permissible Limit, which Shares following the Subsequent Repurchase will be cancelled, delisted and restored to the status of authorised but unissued Share capital. The repurchase by the Company of the Zambesa Treasury Shares will result in more than 5% of the issued Shares of Freedom being repurchased and accordingly the Company must comply with the terms of sections 48(8)(b), 114 and 115 of the Companies Act and accordingly the Subsequent Repurchase is, *inter alia*, required to be approved by Shareholders in terms of a special resolution.

1.5 The Settlement Agreement

In terms of the Settlement Agreement, Happy Boom and Apple Way will settle their respective loan claims owing to Freedom by the disposals to Freedom of the Las Manos Sale Shares (i.e. 7 050 000 Freedom Shares) and the Ligitprops Sale Shares (i.e. 150 000 000 Freedom Shares), totalling 157 050 000 Freedom Shares ("the Zambesa Treasury Shares").

1.6 Appointment of an Independent Expert

In order to comply with section 114 of the Companies Act, Freedom is required to appoint an Independent Expert to report to the Board on whether the Subsequent Repurchase is fair and reasonable insofar as Shareholders are concerned. The Independent Expert's report is set out in **Annexure 1**.

2. PURPOSE OF THE CIRCULAR

The purpose of this Circular is to provide Freedom Shareholders with the necessary information regarding the Ratification and the Subsequent Repurchase and Shareholders will be requested to vote on the Resolutions at the General Meeting, the Notice being attached to and forming part of this Circular.

3. **RATIONALE FOR THE LAS MANOS AND LIGITPROPS TRANSACTIONS AND THE RATIFICATION**

As detailed in SENS announcements dated 15 March and 24 May 2016, copies of which are incorporated by reference as set out in paragraph 18, the properties owned by Ligitprops and Las Manos were held for sale and accordingly the Las Manos and Ligitprops Transactions were in line with the Company's strategy of divesting of non-core assets as detailed in the announcement dated 15 March 2017, having regard to the cash-flow situation of the Company at the time. The directors confirm that, when approving the Las Manos and Ligitprops Transactions, the solvency and liquidity test in terms of section 46(1)(b) of the Act was applied and the Board considered that Freedom was factually solvent and liquid at the time of such Board approval.

The rationale for the Ratification is to best remedy the infringement of the Listings Requirements as a result of the Company having not sought the necessary approval from Shareholders for the acquisition of the Ligitprops Sale Shares by Apple Way and the acquisition of the Las Manos Sale Shares by Happy Boom (which are deemed to be specific repurchases by the Company in terms of the Listings Requirements which required approval from Shareholders at the time that those transactions were concluded).

4. **RATIONALE FOR THE SUBSEQUENT REPURCHASE**

Section 48(2)(b) of the Companies Act states that not more than 10% in aggregate of the number of issued shares in the Company may be held by a Company's Subsidiaries. Accordingly, the Board has resolved that the Zambesa Treasury Shares are to be repurchased and restored to the authorised unissued share capital of the Company (subject to approval by Shareholders of the relevant special resolution). This will result in the remaining shares held by Zambesa being within the Permissible Limit.

5. **BACKGROUND TO THE ZAMBESA TREASURY SHARES**

Zambesa serves as the treasury entity within the Freedom Group and is the appointed nominee for the Ligitprops Sale Shares and the Las Manos Sale Shares.

6. **FURTHER INFORMATION IN RESPECT OF THE LAS MANOS AND LIGITPROPS TRANSACTIONS AND THE SUBSEQUENT REPURCHASE**

6.1 **The Las Manos Transaction**

The Las Manos Transaction was not categorised as a category 1 nor a category 2 transaction in terms of the Listings Requirements and as such, did not require Shareholders' approval or announcement.

6.2 **The Ligitprops Transaction**

The Ligitprops Purchasers provided warranties to Freedom that were standard in respect of transactions of this nature.

At the time of the Ligitprops Transaction, the Company intended to utilise the cash proceeds thereof within the Group and in order to reduce gearing to more manageable levels.

6.3 **Legal Opinion and TRP**

6.3.1 **CDH Legal Opinion**

Freedom inadvertently engaged in the Las Manos and Ligitprops Transactions which required Shareholders' approval prior to the finalisation thereof in terms of the Listings Requirements and the Act. Freedom did not obtain such Shareholders' approval on the required occasions and Freedom therefore proposed to the JSE that the Shareholders of Freedom ratify those transactions in order to rectify this situation. The JSE requested Freedom to obtain a legal opinion on whether the Initial Repurchase could be legally ratified.

Freedom accordingly obtained a legal opinion from CDH. CDH agreed to the inclusion of this paragraph in the Circular, which summarises its legal opinion as follows:

- the Las Manos and Ligitprops Transactions constituted a specific repurchase of securities by Freedom in terms of the Listings Requirements and accordingly required approval by Freedom Shareholders in terms of the Listings Requirements;

- the Las Manos and Ligitprops Transactions appear to have not been formally correctly approved in terms of the Act as the boards of directors of neither Happy Boom (in respect of the Las Manos Transaction) nor Apple Way (in respect of the Ligitprops Transaction) had fully complied with the requirements of section 48(2) read with section 46(1)(c) of the Act, which requires that the board pass a resolution that in its view the solvency and liquidity test in terms of section 4 of the Act would be met after the relevant company acquires Shares in Freedom;
- until an acquisition of Shares by a subsidiary in its holding company is set aside by a competent court, it remains of force and effect even if the above noted sections had not been fully complied with;
- the boards of directors of both Happy Boom and Apple Way are required to pass ratifying and confirmatory resolutions pertaining to compliance with both sections 46 and 48 of the Act that both companies were, in fact, solvent and liquid at the time of the transactions; (refer note 1) and
- subject to the aforementioned ratifying resolutions being approved by the boards of directors of Happy Boom and Apple Way, the ratification of the acquisition by Happy Boom and Apple Way of the Las Manos Sale Shares and the Ligitprops Sale Shares on the historic dates thereof will be ratified and the legal effect would be the same as if the required resolutions of Happy Boom and Apple Way were in place on the historic dates prior to finalising the Las Manos and the Ligitprops Transactions.

Note 1 – refer paragraphs 1.1.5 and 1.2.5.

6.3.2 TRP Advisory Opinion

The TRP disclaimed jurisdiction in respect of the Subsequent Repurchase as it is of the view that jurisdiction in respect of the remediation of any non-compliance with section 48(2)(b)(i) of the Companies Act resides exclusively with the Court, having regard to section 48(6) of the Companies Act and has referred the matter to CIPC. Neither the Circular nor the report by the Independent Expert have been approved by the TRP.

6.4 JSE notification

Having regard to the fact that Freedom inadvertently engaged in transactions that are regulated as specific repurchases of its own Shares and has proposed the Ratification in order to rectify the situation, the JSE has considered the contents of the Circular to ensure that the Company has complied with the necessary disclosures in terms of the Listings Requirements.

The JSE considers the Ratification and the Subsequent Repurchase to be legal processes to be completed by the Company.

Shareholders are referred to the commentary on the front cover of this Circular.

6.5 Board resolution to proceed with the Ratification and the Subsequent Repurchase

The Board, having received legal advice to its satisfaction that, *inter alia*, it is not the objective of section 48(6) of the Companies Act to preclude Freedom from proceeding with the Subsequent Repurchase and having regard to the TRP Advisory Opinion detailed in paragraph 6.3.2, has resolved to proceed with the Ratification and the Subsequent Repurchase, subject to the requisite approval being obtained from Shareholders.

6.6 The Subsequent Repurchase

At the Last Practicable Date, a total of 202 026 953 Freedom Shares (constituting 16.77% of the Company's issued Share capital) were held as treasury shares as detailed in paragraph 6.6.1.

The Zambesa Treasury Shares total 157 050 000 Freedom Shares (comprising the Las Manos and the Ligitprops Share Shares) and constitute 13.04% of the Company's issued Share capital.

6.6.1 Total number of Shares held as treasury shares at the Last Practicable Date:

The treasury shares originated as set out below:

Date	Number of Shares	Description
June 2014	46 746 000	Sale of Tubatse Estate as detailed on page 52 and Annexure 20 of the PLS
October 2014	12 000 000	Bilko Sale Shares – refer Note 1
	58 746 000	
Less: Disposals between January 2015 and March 2015	(3 559 099)	Shares traded by the Company (net position)
	(360 000)	Shares awarded to staff and consultants
	(1 750 000)	Shares awarded to pay unauthorised amount to NT Govender
2015	(53 084 401)	Transfer of Shares to Cool Runnings (Note 2)
	(58 753 500)	
January 2016	44 984 453	Transfer of Shares from Cool Runnings (Note 2) held by Zambesa as nominee
May 2016	7 050 000	Las Manos Sale Shares received in respect of the Las Manos Transaction, held by Zambesa
	150 000 000	Ligitprops Sale Shares received in respect of the Ligitprops Transaction, held by Zambesa
	<u>202 026 953</u>	

Notes:

1. The Bilko Sale Shares originated pursuant to the acquisition by Freedom of Bilko which was concluded in August 2013 and settled by the issue of 12 million Freedom Shares. Prior to its listing in June 2014, Freedom entered into a transaction in terms of which it disposed of 100% of its shareholding in Bilko, in terms of the Bilko Agreement, for 12 million Freedom Shares. These Shares which are registered in Freedom's name but held by Zambesa as nominee should have been cancelled at the time of that transaction. Accordingly, these Shares will be cancelled, delisted and restored to the status of authorised but unissued Share capital at the same time as the Subsequent Repurchase is implemented.
2. NT Govender, former Chief Executive Officer, transferred shares from Zambesa to Cool Runnings. This transfer was unauthorised and constituted an unlawful act as fully disclosed in the Company's Annual Report for the year ended 29 February 2016 under "Reportable Irregularities", which report is incorporated by reference as set out in paragraph 18.

6.6.2 The Zambesa Treasury Shares:

Date	Number of Shares	Description
May 2016	7 050 000	Las Manos Sale Shares
	150 000 000	Ligitprops Sale Shares
	<u>157 050 000</u>	

Upon appointment, the current Chief Executive Officer requested that a Settlement Agreement be entered into between Freedom, Apple Way and Happy Boom in terms of which Freedom would repurchase the Zambesa Treasury Shares and Apple Way and Happy Boom would settle the loan claims by disposing of the Zambesa Treasury Shares to Freedom.

6.6.3 **Shares remaining as treasury shares, subject to the approval by Shareholders of the Subsequent Repurchase:**

Date	Number of Shares	Description
Per paragraph 6.6.1	202 026 953	
Less: the Zambesa Treasury Shares per paragraph 6.6.2	157 050 000	
	44 976 953	
Less: The Bilko Sale Shares	(12 000 000)	Cancellation of Bilko Sale Shares simultaneously with the Zambesa Treasury Shares
Shares remaining as treasury shares	32 976 953	

6.6.4 **Dissenting Shareholders' Appraisal Rights in terms of section 164 of the Companies Act.**

Section 115(8) of the Companies Act entitles Dissenting Shareholders Appraisal Rights under section 164 of the Companies Act. In summary, section 164 of the Companies Act provides that:

- 6.6.4.1 Upon receipt of the Notice and at any time before the Subsequent Repurchase Special Resolution is to be voted on at the General Meeting, a Shareholder may give Freedom written notice objecting to the Subsequent Repurchase Special Resolution.
- 6.6.4.2 Within 10 business days after Freedom has adopted the Subsequent Repurchase Special Resolution, Freedom must send a notice that the Subsequent Repurchase Special Resolution has been adopted to each Shareholder who gave it written notice of objection and has neither withdrawn that notice nor voted in favour of the Subsequent Repurchase Special Resolution.
- 6.6.4.3 A Shareholder may demand in writing within 20 business days after receipt of the notice from Freedom referred to in paragraph 6.6.4.2 that Freedom pay such Shareholder the fair value of the Shares held by such Shareholder if:
- such Shareholder sent Freedom notice of objection as envisaged in paragraph 6.6.4.1;
 - Freedom has adopted the Subsequent Repurchase Special Resolution; and
 - such Shareholder voted against the Subsequent Repurchase Special Resolution and has complied with all of the procedural regulations set out in section 164 of the Companies Act.
- 6.6.4.4 The demand sent by the Shareholder to Freedom as provided in paragraph 6.6.4.3 above must include:
- the Shareholder's name and address;
 - the number of Shares in respect of which the Shareholder seeks payment; and
 - a demand for payment of the fair value of those Shares. The fair value of the Shares is determined as at the date on which, and the time immediately before the Shareholders adopted the Subsequent Repurchase Special Resolution which gave rise to the Shareholder's rights under section 164 of the Companies Act.

6.6.4.5 A Shareholder who has sent a demand to Freedom as provided in paragraph 6.6.4.3 has no further rights in respect of those Shares, other than to be paid their fair value unless:

- the Shareholder withdraws that demand before the Company makes an offer under section 164(11) of the Companies Act;
- Freedom fails to make an offer in accordance with section 164(11) of the Companies Act and the Shareholder withdraws the demand; or
- Freedom, by way of a subsequent special resolution, revokes the adopted Subsequent Repurchase Special Resolution that gave rise to the Shareholders' Appraisal Rights.

If any of the events contemplated in paragraph 6.6.4.5 occur, all of the Shareholder's rights in respect of the Shares are reinstated without interruption.

The above summary of the provisions of section 164 of the Companies Act is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it. An extract of the Dissenting Shareholders' Appraisal Rights is set out in **Annexure 2**.

For the purpose of section 164 of the Companies Act, any notice or written demand to be sent by a Shareholder to Freedom should be sent by registered post for the attention of the Company Secretary at the Company's address set out in the "Corporate Information" sections of this Circular.

Shareholders in doubt as to what action to take must consult their legal or professional advisor in this regard.

Before exercising their rights under section 164 of the Companies Act, Shareholders should have regard to the following:

- having considered the terms and conditions of the Subsequent Repurchase, the Independent Expert has concluded that the Subsequent Repurchase is unfair but reasonable to Freedom Shareholders. Shareholders are referred to **Annexure 1**, which sets out the full text of the Independent Expert's report on the Subsequent Repurchase; and
- the Court is empowered to grant a costs order in favour of, or against, a Dissenting Shareholder.

7. TERMS OF THE SPECIFIC REPURCHASES

Utilisation of funds and consideration

In respect of the Initial Repurchase, Freedom had loans receivable from the Ligitprops and Las Manos Purchasers totalling R26 861 624 and R1 347 677, respectively which were settled by the issue of the Las Manos and Ligitprops Sale Shares.

Details are set out below:

Entity	Price applicable to the Ligitprops and Las Manos Sale Shares	Las Manos and the Ligitprops Sale Shares as reflected in the Company's records at an aggregate repurchase price of 17.96 cents per Share	Cash consideration received in terms of the Las Manos and Ligitprops Transactions	Outstanding purchase amount in respect of the Ligitprops and Las Manos Transactions settled with the Ligitprops and Las Manos Sale Shares
Ligitprops Purchasers	14 cents per share	R34 361 624	R7 500 000	R26 861 624
Las Manos Purchasers (note 1)	19.12 cents per share	R3 447 677	R2 100 000	R1 347 677
		R37 809 301	R9 600 000	R28 209 301

Note 1: The price of 19.12 cents per Share has been calculated by dividing the value of the loan owing by the Las Manos Purchasers by Las Manos Sale Shares.

The price for the Subsequent Repurchase is determined to be in line with the Initial Repurchase.

Shareholders are referred to the report of the Independent Expert set out in **Annexure 1**, which should be read in its entirety and wherein the most likely value of a Freedom Share is determined as 11.8 cents per Share. The repurchase price applicable to the Subsequent Repurchase (calculated by dividing the value of the loans of R28 209 301 receivable from the Las Manos and Ligitprops Purchasers by the Las Manos and Ligitprops Sale Shares (i.e. 157 050 000 Shares)) is above this value and the Independent Expert's opinion concludes that, based on quantitative considerations and the valuation limitations as detailed in its report, the terms and conditions of the Subsequent Repurchase are unfair to Freedom Shareholders but that, based on qualitative factors, the terms and conditions of the Subsequent Repurchase are reasonable from the perspective of the Freedom Shareholders.

Voting requirement and exclusions

In terms of sections 48(8)(b), 62(3)(c) and 65(9) of the Companies Act and paragraph 5.69(b) of the Listings Requirements and in order for the Subsequent Repurchase Special Resolution to be adopted, the support of at least 75% of the voting rights exercised thereon by Shareholders present or represented by proxy at the General Meeting, is required.

8. ADEQUACY OF CAPITAL

The Directors have, in terms of section 46(1) of the Companies Act, by resolution:

- authorised the Subsequent Repurchase in terms of section 46(1)(a)(ii) of the Companies Act, and
- acknowledged that it has applied the solvency and liquidity test, confirmed that there have been no material changes to the financial position of the Company and Group since the test was applied and has reasonably concluded that the Company and Group will satisfy the solvency and liquidity test immediately after completing the Subsequent Repurchase in terms of section 46(1)(c) of the Companies Act.

The Directors are of the opinion that for a period of at least 12 months after taking into account the effect of the Subsequent Repurchase:

- the Company and the Group will be able to repay their debts in the ordinary course of business;
- the assets of the Company and the Group, fairly valued according to IFRS and on a basis consistent with the unaudited management accounts of the Company in respect of the year ended 29 February 2019, exceed its liabilities fairly valued according to IFRS;
- the Company and the Group have adequate share capital and reserves for ordinary business purposes; and
- the Company and the Group have sufficient working capital for ordinary business purposes.

Shareholders should note the commentary in paragraph 3 regarding the solvency and liquidity of the Company at the time the Las Manos and Ligitprops Transactions were considered by the Board.

9. MAJOR SHAREHOLDERS

Shareholders, other than Directors, who held a 5% or greater beneficial (direct and indirect) shareholding in the issued ordinary Share capital of Freedom as at the Last Practicable Date are set out below:

Shareholder	Number of shares held	Percentage of issued share capital
Magnolia Ridge Properties Proprietary Limited	70 157 000	5.8
LP Huguenot Investments Proprietary Limited	66 486 444	5.5
Lafras Joubert Familie Trust (beneficially held by L Joubert)	60 301 566	5.0
Total	196 945 010	16.3

10. MATERIAL CHANGE IN FINANCIAL POSITION

The Company's Shares were suspended from trading on the JSE on 1 July 2016 as a result of the Company not having timeously distributed its annual financial statements for the year ended 29 February 2016 as required in terms of the Listings Requirements. The annual financial statements for the years ended 28 February 2017 to 28 February 2019 are also outstanding. The Company released its annual financial statements for the year ended 29 February 2016 on 20 March 2019 which financial statements were audited by the Group's auditors, Moore Stephens Cape Town Inc., who issued a qualified audit report; an extract from which is set out below:

"Except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of Freedom Property Fund as at 29 February 2016, and its consolidated financial performance and its separate cash flows for the year then ended in accordance with the International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Qualified Opinion on consolidated Financial Statements and Unqualified Opinion on the Separate Financial Statements

The Company acquired Ligitprops on 1 March 2014. The consolidated financial statements are materially misstated as we were unable to obtain sufficient appropriate evidence on the values of certain of the subsidiary's material assets and liabilities at the acquisition date. Consequently, we are unable to determine whether any adjustments to these amounts were necessary. This matter also affects the 28 February 2016 consolidated Statement of Financial position. There is no effect on the separate financial statements."

Accordingly, the Company advises as follows in respect of material changes since it issued its audited annual financial statements for the year ended 29 February 2016:

- The Company is currently in the process of finalising its results for the financial years ended 28 February 2017, 2018 and 2019.
- The external auditors identified a reportable irregularity in terms of the Companies Act in terms of which the Company had breached the provisions of section 48(2)(b)(i) of the Act in that a Subsidiary holds in excess of 10% of the Shares in the Company, which irregularity was reported on 27 March and 20 April 2018.
- At a general meeting of Shareholders held on 5 May 2016, a settlement agreement with the Christo la Grange Gesins Trust for R50 million was ratified, the effective date of the transaction being 12 June 2015. In this regard, Shareholders are referred to the Related Party Circular.
- Other than the Las Manos and Ligitprops Transactions dealt with in this Circular, Subsidiaries have entered into the following category 2 transactions in line with the Company's strategy, as stated in a SENS announcement dated 15 March 2017, to divest of non-core assets:
 - Disposal of Erf 1210 and a portion of Erf 1212 of Steelport Extension 10 by Kadoma Investments Proprietary Limited to Boulder Processing Proprietary Limited for R10 million as detailed in a SENS announcement dated 20 February 2017;
 - Disposal of Portion 18 of the Farm 799 by Clear Creek Trading 148 Proprietary Limited to Struwig Project Management CC for R13.7 million as detailed in a SENS announcement dated 9 March 2017; and
 - Disposal of a portion of Erf 1196 of Steelport Industrial Park by Kadoma Investments Proprietary Limited to Provest Group Proprietary Limited for R5 million as detailed in a SENS announcement dated 29 August 2017.
- The Company continues to issue quarterly SENS updates to its Shareholders regarding its activities.

The Directors are of the opinion that no other material changes have occurred in the financial or trading position of the Company since the issue of the annual financial statements for the 2016 financial year on 20 March 2019 and the Last Practicable Date.

11. DIRECTORS' INTERESTS IN SECURITIES

The interests of the Directors and their associates in the share capital of Freedom at the Last Practicable Date are set out below:

Director	Direct beneficial	Indirect beneficial	Percentage of issued ordinary share capital
WC Jansen van Rensburg and Associates (held by the Jansen Van Rensburg Familie Trust)			
Appointed 14 December 2016	–	3 126 037	0.26
C la Grange and Associates (held by the Christo la Grange Gesins Trust – Masters Ref. IT8207/02)			
Appointed 14 March 2018		172 131 900	14.3
HA Lambrechts and his Associates (held through various trusts controlled by Mr Lambrechts)			
Appointed 25 November 2015	59 088 900	–	4.91
S Maritz	1 700 000	–	0.14
Total	60 788 900	175 257 037	19.6

Notes:

- None of the other Directors currently hold interests in any Freedom Shares, either directly or indirectly nor did they directly or indirectly hold any interests in Freedom Shares during the 18 months preceding the Last Practicable Date.
- There has been no change the aforementioned interests since the appointment dates of the aforementioned directors and the Last Practicable Date.

12. SHARE CAPITAL

The table below sets out the authorised and issued Share capital of Freedom before and after the Subsequent Repurchase and the cancellation of the Bilko Sale Shares:

	Stated capital R'000
Before the Subsequent Repurchase and the cancellation of the Bilko Sale Shares	
Authorised	
10 000 000 000 Shares	
Issued	
1 204 429 031 Shares	446 700 908
After the Subsequent Repurchase and the cancellation of the Bilko Sale Shares	
Authorised	
10 000 000 000 Shares	
Issued	
1 035 379 031 Shares	406 494 728
	Number
Treasury Shares held before and after the Subsequent Repurchase:	
Before the cancellation of the Bilko Sale Shares and the Subsequent Repurchase:	202 026 953
After the cancellation of the Bilko Sale Shares and the Subsequent Repurchase – (constituting 3.2% of the total issued Share Capital)	32 976 953

13. FINANCIAL EFFECTS

The Initial Repurchase resulted in a decrease in share capital of R28 209 301 (being 157 050 000 Zambesa Treasury Shares acquired at an aggregate purchase price of 17.96 cents per Freedom Share), and a decrease of loans receivable totalling R28 209 301 (R26 861 624 in respect of Apple Way and R1 347 677 in respect of Happy Boom), on the consolidated statement of financial position. The loans receivable arose as a result of the purchase consideration due by the Ligitprops and Las Manos Purchasers to Apple Way and Happy Boom respectively in terms of the Ligitprops and Las Manos Agreements. The loans carried no interest and therefore the settlement of these loans had no impact on the consolidated statement of comprehensive income. As the repurchase price for the Zambesa Treasury Shares was offset against loans receivable due from the Ligitprops and Las Manos Purchasers there was no cash outflow for the Group.

The Subsequent Repurchase will have no impact on the consolidated statement of financial position or the consolidated statement of comprehensive income as the repurchase of these shares is between Freedom and its wholly-owned subsidiary, Zambesa, in settlement of intercompany loans receivable and both the treasury shares and the loans receivable are already eliminated on consolidation. As the repurchase price for the Zambesa Treasury Shares pursuant to the Subsequent Repurchase is offset against loans receivable from Apple Way and Happy Boom there will be no cash outflow for the Group.

14. COSTS OF THE SPECIFIC REPURCHASES

The costs relating to the Specific Repurchases are anticipated to be approximately R1.128 million (VAT exclusive):

Description	Name	R'000
Sponsor fees	Questco	440
Independent Expert	Nodus Capital	95
Regulator fees	JSE	44
	TRP	7
Legal fees (Inclusive of Senior Counsel fee)	CDH	406
Printing, publishing and distribution costs	Various	60
Securities Transfer Tax [at 0.25%]	SARS	76
		1 128

No other preliminary expenses have been incurred by Freedom in the three years preceding the Last Practicable Date.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are set out in the "Corporate Information" section, collectively and individually, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

16. INDEPENDENT EXPERT'S OPINION

The Independent Expert, whose report is set out in **Annexure 1**, has considered the terms and conditions of the Subsequent Repurchase and it is recommended that Shareholders read the report in its entirety.

17. EXPERTS' CONSENTS

Questco, the Independent Expert, CDH and the Transfer Secretaries have consented in writing to act in the capacities stated and to their names being stated in this Circular and the Independent Expert has consented to the inclusion of its report in the form and context in which it has been reproduced, and have not, prior to the Last Practicable Date, withdrawn their consents prior to publication of this Circular.

18. DOCUMENTS INCORPORATED BY REFERENCE

The table below sets out the documents which are incorporated by reference into this Circular; which documents are available on the Company's website as well as being available for inspection at the registered offices of Freedom and Questco at no charge:

Document	Link to website
PLS	http://www.freedomprop.co.za/Investor Relations/Corporate Information/
Quarterly reports released on SENS dated 21 December 2017, 17 May 2018, 17 August 2018, 16 November 2018, 15 February 2019 and 15 May 2019	http://www.freedomprop.co.za/SENS/
SENS announcement dated 24 May 2016	http://www.freedomprop.co.za/SENS/
SENS announcement dated 15 March 2016	http://www.freedomprop.co.za/SENS/
SENS announcement dated 27 January 2017	http://www.freedomprop.co.za/SENS/
Annual Report for the year ended 29 February 2016	http://www.freedomprop.co.za/Financials/
Related Party Circular	http://www.freedomprop.co.za/Investor Relations/News and press releases

19. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or copies thereof will be available for inspection at the registered offices of Freedom and Questco during normal office hours from the date of posting of this Circular up until the date of the General Meeting:

- the Memoranda of Incorporation of Freedom and its major subsidiary, Kadoma Investments Proprietary Limited
- the PLS;
- the Ligitprops Agreements;
- the Las Manos Agreements;
- the Settlement Agreement;
- the audited annual financial statements of the Company for the year ended 29 February 2016;
- the consent letters from the Company's advisers;
- the quarterly reports released on SENS dated 21 December 2017, 17 May 2018, 17 August 2018, 16 November 2018, 15 February 2019 and 15 May 2019;
- the opinion of the Independent Expert, the text of which is included in **Annexure 1**; and
- the resolution passed by the Company authorising the Subsequent Repurchase.

SIGNED BY STEPHEN MARITZ IN PAARL, CAPE PROVINCE ON 12 JULY 2019 ON BEHALF OF THE DIRECTORS IN TERMS OF A DIRECTORS' ROUND ROBIN RESOLUTION:

Stephen Maritz

Chief Executive Officer

INDEPENDENT EXPERT'S REPORT

"The Directors
Freedom Property Fund Limited
KWV Building
57 Main Street
Paarl
7646

12 July 2019

Dear Sirs

INDEPENDENT EXPERT OPINION TO FREEDOM PROPERTY FUND LIMITED ("FREEDOM" or the "COMPANY") RELATING TO THE SPECIFIC SHARE REPURCHASE OF THE ZAMBESA INVESTMENTS PROPRIETARY LIMITED ("ZAMBESA") TREASURY SHARES (THE "TRANSACTION")

The definitions and interpretations contained in the Circular, apply to this Opinion, unless otherwise defined herein.

Introduction

Freedom intends to repurchase the Freedom Shares held by Zambesa (the "Subsequent Repurchase"). Zambesa initially acquired these Shares, as nominee, in terms of the Ligitprops Transaction and the Las Manos Transaction. Further details relating to the Ligitprops and Las Manos Transactions are disclosed in the Circular.

The Zambesa Treasury Shares total 157 050 000 Freedom Shares (comprising the Las Manos Sale Shares and the Ligitprops Sale Shares) and constitute 13.04% of the Company's issued share capital. Freedom has a loan receivable from Apple Way which will be offset against the value of the Ligitprops Sale Shares in full settlement thereof as well as a loan from Happy Boom which will be offset against the Las Manos Sale Shares (the "Loans"). The offsetting of the Loans is described in more detail in the Circular. The value of the Loans that are being offset is R28 209 301.

As at the date of this Opinion, the share capital of the Company comprises of the following:

- Authorised share capital comprising 10 000 000 000 ordinary shares at no par value ("Ordinary Shares"); and
- Issued share capital comprising 1 204 429 031 Ordinary Shares.

The Company had no share options in issue and held 202 026 953 treasury shares.

Full details of the Transaction are contained in the Circular, which will include a copy of this Opinion of the Independent Expert.

The material interests of the Freedom Directors are set out in paragraph 11 of the Circular.

Scope

As the Transaction involves the acquisition by the Company of more than 5% of its issued ordinary shares, the Subsequent Repurchase is subject to the provisions of section 114(4) (as read with section 48(8)(b) and section 115(2)(a) of the Companies Act), and the directors are required to obtain independent external advice as to how the Transaction affects all holders of Freedom securities (collectively the "Fair and Reasonable Opinion" or "Opinion").

Nodus Capital TS Proprietary Limited ("Nodus" or the "Independent Expert") has been appointed by the Board to provide independent advice to the Board, as required in terms of the Companies Act.

Responsibility

The compliance with the Companies Act is the responsibility of the Board. Our responsibility is to report on the terms and conditions of the Transaction in compliance with the related provisions of the Companies Act.

We confirm that our Opinion has been provided to the Board in terms of the Act for the sole purpose of assisting them in forming and expressing an opinion for the benefit of Freedom Shareholders in relation to the Transaction and that this Opinion has not been approved by the TRP.

Definition of the terms “fair” and “reasonable”

The “fairness” of a transaction is based on quantitative issues. A transaction will generally be considered fair to a company’s shareholders if the benefits received by a company, as a result of the corporate action, are equal to or greater than the value surrendered by the company.

In terms of the Act, the Subsequent Repurchase may be said to be fair if the value of the Freedom Shares being repurchased is greater than or equal to the value of the Loans written off by Freedom and, conversely, unfair if the value of the Loans written off exceeds the value of the Freedom Shares being repurchased.

An assessment of reasonableness is generally based on factors other than quantitative considerations. Even though the value of the consideration may differ from the market value of the assets being acquired, a transaction may still be reasonable after considering other significant qualitative factors.

Our approach in considering the Transaction

In considering the value of the Loans, we have independently calculated the fair value of the Freedom Shares and compared our fair market value of the Freedom Shares being repurchased to the value of the Loans.

Sources of information

The principal sources of information used in performing our work include:

- The terms and conditions of the Transaction, as set out in the Circular;
- The Settlement Agreement;
- The Rationale for the Transaction, as set out in the Circular;
- Representations and assumptions made available by, and discussions held with the management of Freedom;
- Selected macroeconomic analysis and forecasts from various South African banks and research institutions;
- Selective valuation reports in respect of the Freedom portfolio of properties prepared by an external property valuer as at 28 February 2018;
- Discussions held with the external property valuer;
- Selected publicly available information relating to the industries in which Freedom operates, obtained from management and public sources;
- Thomson Reuters;
- Closing the value gap – PricewaterhouseCoopers Valuation Methodology Survey 2016/2017, 8th edition;
- Published market data on Freedom;
- A high-level one-month income statement forecast prepared by management as at 30 September 2018 (the “Monthly Forecast”); and
- A management prepared balance sheet of Freedom as at 16 May 2019.

We have relied upon and assumed the accuracy of the information provided to and obtained by us in deriving our Opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our Opinion, whether in writing or obtained in discussion with Freedom management, by reference to publicly available or independently obtained information.

While our work has involved an analysis of, *inter alia*, the financial and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

Procedures performed

In arriving at our Opinion, we have undertaken the following procedures in evaluating the fairness of the Transaction:

- Considered the rationale for the Transaction, as represented by Freedom;
- Reviewed the terms and conditions of the Transaction;
- Reviewed the Settlement Agreement;
- Supplemented our knowledge and understanding of Freedom as well as the industry in which it operates;
- Held discussions with Freedom management on the prospects of Freedom;
- Considered the valuations provided by the independent valuer on the Freedom property portfolio and obtained evidence of the following:
 - the professional competence of the independent valuer, in particular membership of an appropriate professional body, and experience and reputation in the field;
 - the independence of the independent valuer, including confirmation from the independent valuer that there were no actual or apparent conflicts of interest that might impair, or be perceived to impair, his objectivity;
 - that the scope of the independent valuer’s work was adequate for the purposes of determining the Opinion;
 - the appropriateness of the independent valuer’s work regarding the value of the property;
 - reviewed selective valuations performed on Freedom’s property portfolio by comparing:
 - o the inputs applied in the valuations to Nodus’ best estimate of inputs. Procedures performed by Nodus in deriving its best estimate of inputs applied included analysis of independent comparable properties’ valuations and market research;
 - having considered the above, we are satisfied with the property valuations; and
 - held discussions with the independent valuer as to his expectations of any material changes in the Freedom property portfolio since 28 February 2018 until 20 May 2019,
- Reviewed certain publicly available information relating to Freedom and the industries in which it operates that we deemed to be relevant, including company announcements and media articles;
- Performed an analysis of other information considered pertinent to our valuation and Opinion; and
- Obtained from the management of Freedom a letter of representation in respect of amongst other things the information shared and/or statements made to us and upon which we have relied.

We have not interviewed any of the Freedom Shareholders to obtain their views on the Transaction.

Based on the results of the procedures mentioned above, we determined the fairness and reasonableness of the Transaction to Freedom Shareholders. We believe that the above considerations justify the conclusion outlined below.

Valuation

Nodus performed an independent valuation of Freedom to determine whether the Transaction represents fair value to the Freedom Shareholders. Typical valuation approaches would include:

- Gordon Growth model: This is a commonly accepted listed property stock valuation method in South Africa based on the expected dividend or distribution stream from an instrument, assuming a steady increase in dividends or distributions;
- Income Approach model: Assessment of the value of a Freedom Share based on the value of the cash flows that the Company can be expected to generate in the future;
- Market Approach model: Assessment of the value of a Freedom Share based on a comparison of Freedom to comparable publicly traded companies and transactions in its industry as well as prior transactions involving stakes in comparable companies; and
- Net Asset Value analysis (“NAV”): Assessment of the value of a Freedom Share based on the net asset value relying largely on the independent property valuations to support the assessed market value of the individual property assets. Market value and capitalisation rate indicates the price the property could be expected to be sold for in an open market (willing buyer and willing seller). This approach is ultimately based on the summation of the individual piecemeal market values of the underlying assets less the market value of the liabilities. NAV analysis, however, does not take into account equity market risk to which an investor is exposed and is thus a less reliable factor to consider.

Performing a Gordon Growth, Income Approach and/or Market Approach model was not deemed appropriate for valuing Freedom. The reasons for this include, amongst others:

- Trading in the securities of Freedom was suspended by the JSE Limited with effect from 1 July 2016 at 7 cents per share;
- Freedom's last full year publicly released financial results was for the year ended 29 February 2016;
- Freedom is currently going through a process of restating its historical financial results;
- Although Freedom management prepares the Monthly Forecast, the level of uncertainty thereof, given Freedom's current status, is not at the level of accuracy required for such an analysis to be meaningful.

Nodus could therefore perform only a NAV analysis of Freedom as at 16 May 2019, with specific focus being placed on the independent property valuations and debt owed by Freedom.

Assumptions

Our Opinion is based on the following key assumptions:

- Current economic, regulatory and market conditions will not change materially;
- Freedom is not involved in any material legal proceedings other than those conducted in the ordinary course of business and/or as disclosed in the Circular;
- Freedom is, at the date of this Opinion of the Independent Expert, not engaged in any advanced discussions relating to any acquisitions or transactions that will have a significant impact on the value of Freedom, other than those disclosed in the Circular;
- Freedom does not have any material outstanding disputes with the South African Revenue Service;
- There are no undisclosed contingencies that could affect the value of Freedom;
- The Transaction will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives and advisors of Freedom;
- Reliance can be placed on the financial information of Freedom;
- For the purposes of this Opinion of the Independent Expert, we assumed Freedom's existing businesses to be ongoing under current business plans and management; and
- Representations made by Freedom management and its advisors during the course of forming this Opinion of the Independent Expert.

Appropriateness and reasonableness of underlying information and assumptions

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our Opinion by:

- Determining the extent to which representations from management were confirmed by documentary evidence, as well as our understanding of Freedom and the economic environment in which it operates.

Valuation results

In undertaking the valuation exercise of Freedom above, we determined a valuation range of a Freedom Share of 11.4 cents to 12.2 cents per ordinary share with a most likely value of 11.8 cents per Freedom Share.

Based on the valuation range of the Freedom Shares repurchased, the value of the Loans falls above our concluded valuation range of the Freedom Shares being repurchased.

The valuation above is provided solely in respect of this Opinion and should not be used for any other purposes.

Reasonableness of the Subsequent Repurchase

In considering the reasonableness of the Subsequent Repurchase, we considered, *inter alia*, the following:

- The Rationale for the Transaction;
- The Settlement Agreement;
- The fact that Freedom is in breach of the Companies Act and that the Transaction is being undertaken to rectify this breach;
- The Transaction is neutral to the consolidated balance sheet of Freedom as intercompany loan accounts are used for set-off; and
- The Transaction has no cash flow impact on Freedom, apart from transaction costs.

Opinion

Nodus has considered the terms and conditions of the Subsequent Repurchase and, based on and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Subsequent Repurchase, based on quantitative considerations, are unfair to the Freedom Shareholders. However, as the fairness of a transaction is purely based on quantitative factors, Freedom Shareholders should consider the fairness of the Subsequent Repurchase in the context of the valuation limitations, as elaborated under the Valuation section in this Opinion, and the reasonableness of the Subsequent Repurchase, as described in this Opinion.

Based on qualitative factors, we are of the opinion that the terms and conditions of the Subsequent Repurchase are reasonable from the perspective of the Freedom Shareholders.

Limiting conditions

This Opinion of the Independent Expert is provided to the Board in connection with and for the purposes of the Transaction. The Opinion of the Independent Expert does not purport to cater for each individual Freedom Shareholder's perspective, but rather that of the general body of Freedom Shareholders.

This Opinion of the Independent Expert is provided in terms of the Companies Act. It does not constitute a recommendation to any Freedom Shareholder as to how to vote at any Shareholders' meeting relating to the Transaction or on any matter relating to it. Therefore, it should not be relied upon for any other purpose. We assume no responsibility to anyone if this Opinion of the Independent Expert is used or relied upon for anything other than its intended purpose. Should an individual Freedom Shareholder have any doubts as to what action to take, such Shareholder should consult an independent advisor.

Budgets/projections/forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the forecast period. Accordingly, this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods.

We express no opinion as to how closely actual results will correspond to those projected/forecast by the management of Freedom.

The above findings are necessarily based upon the information available to us, the financial, regulatory, market and other conditions and circumstances existing and disclosed to us up to 20 May 2019. We have assumed that all conditions precedent in the transaction agreements, including any material regulatory and other approvals, if any, will be properly fulfilled/obtained. Subsequent developments may affect our findings, however, we are under no obligation to update, revise or re-affirm such.

The valuation of companies and businesses is not a precise science and conclusions arrived at, will, in many cases, be subjective and dependent on the exercise of individual judgement.

Independence, competence and fees

We confirm that we have no direct or indirect interest in Freedom Shares or the Transaction. We also confirm that we have the necessary qualifications and competence to provide the independent opinion on the Transaction.

Furthermore, we confirm that our professional fee is not contingent upon the success of the Transaction.

Consent

We consent to the inclusion of this letter and the reference to our opinion in the Circular to be issued to the Shareholders of Freedom in the form and context in which it appears and in any required regulatory announcement or documentation.

Yours faithfully

Johan le Roux CA(SA)

Director: Nodus Capital TS Proprietary Limited

Building 2

Commerce Square Office Park

39 Rivonia Road

Sandhurst

2196"

APPRAISAL RIGHTS IN TERMS OF SECTION 164 OF THE COMPANIES ACT

EXTRACT OF SECTION 115 OF THE COMPANIES ACT

- Part: (1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
- (a) the disposal, amalgamation or merger, or scheme of arrangement:
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter, and the Takeover Regulations, apply to a company that proposes to:
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement, the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119 (4) (b) or exempted the transaction in terms of section 119 (6).
- (2) A proposed transaction contemplated in subsection (1) must be approved :
- (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64 (2); and
 - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if:
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
 - (c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2) (a) and (b), a company may not proceed to implement that resolution without the approval of a court if:
- (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or
 - (b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).

- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights:
 - (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- (4A) in subsection (4), “act in concert” has the meaning set out in Section 117(1)(b).
- (5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either:
 - (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant:
 - (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if:
 - (a) the resolution is manifestly unfair to any class of holders of the company’s securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person:
 - (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect:
 - (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

EXTRACT OF SECTION 164 OF THE COMPANIES ACT

- (1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to:
 - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.
- (4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who:
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither:
 - (i) withdrawn that notice; nor
 - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if:
 - (a) the shareholder:
 - (i) sent the company a notice of objection, subject to subsection (6); and
 - (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (b) the company has adopted the resolution contemplated in subsection (2); and
 - (c) the shareholder:
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within:
 - (a) 20 business days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel and must state:
 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.
- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
 - (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or

- (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of:
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11):
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12):
- (a) the shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and:
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14):
- (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) the court:
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);
 - (iii) in its discretion may:
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;

- (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the Court; and
 - (v) must make an order requiring:
 - (aa) the dissenting shareholders to either withdraw their respective demands, in which case the shareholder is reinstated to their full rights as a shareholder, or to comply with subsection (13)(a); and
 - (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the Company fulfils its obligations under this section.
- (15A) At any time before the court has made an offer contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case –
- (a) that shareholder must comply with the requirements of subsection 13(a); and
 - (b) the company must comply with the requirements of subsection 13(b).
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:
- (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a Shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:
- (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent:
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,
- a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.



FREEDOM PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2012/129186/06)

Share code: FDP ISIN: ZAE000185260

NOTICE OF GENERAL MEETING

All the terms defined in the Circular, to which this notice of General Meeting is attached, shall bear the same meaning when used in this notice of General Meeting.

Shareholders are referred to paragraphs 6.3 – 6.5 of the Circular of which this Notice forms part.

Notice is hereby given that a General Meeting of the Company's Shareholders will be held at 10:00 on Tuesday, 20 August 2019 at the Company's offices, K WV Building, 57 Main Street, Paarl, Cape Province for the purpose of considering and, if deemed fit, passing, with or without modification, the Resolutions set out below.

The following dates apply to the General Meeting:

Record date to receive the notice of General Meeting in terms of section 59(1) of the Companies Act	Friday, 12 July 2019
Last day to trade in order to be eligible to participate in and vote at the General Meeting	Monday, 5 August 2019
Record date in order to vote at the General Meeting	Thursday, 8 August 2019

Shareholders entitled to attend and vote at the General Meeting may, in terms of section 58 of the Companies Act, appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a Shareholder of the Company. A Form of Proxy, which sets out the instructions for its completion, is enclosed for the use of Certificated Shareholders or Own Name Registered Dematerialised Shareholders who wish to be represented at the General Meeting.

Completion of a Form of Proxy will not preclude such Shareholders from attending and voting (in preference to that Shareholder's proxy) at the General Meeting. To assist with administration, it is requested that the Form of Proxy reach the Transfer Secretaries at the address given below by 10:00 on Friday, 16 August 2019. Alternatively, they may be handed to the Chairman at the commencement of the General Meeting.

IDENTIFICATION OF MEETING PARTICIPANTS

In terms of section 63(1) of the Companies Act, before any person may attend or participate in a shareholders' meeting, that person must present reasonable satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a Shareholder, or as a proxy of a Shareholder, has been reasonably verified.

ELECTRONIC PARTICIPATION IN THE GENERAL MEETING

Shareholders or their proxies may participate in the General Meeting by way of a teleconference call, provided that if they wish to do so:

- they should contact the Transfer Secretaries by email at the address, freedom@4axregistry.co.za, by no later than 10:00 on Friday, 16 August 2019 in order to obtain a pin number and dial-in details for that conference call;
- they will be required to provide reasonably satisfactory identification; and
- they will be billed separately by their own telephone service providers for their telephone call to participate in the General Meeting.

SPECIAL RESOLUTION NUMBER 1 – RATIFICATION OF THE LAS MANOS TRANSACTION AND ACQUISITION OF THE LAS MANOS SALE SHARES

“Resolved that the acquisition by Happy Boom of the Las Manos Sale Shares in terms of the Las Manos Transaction, as detailed in paragraphs 1.1 and 3 of the Circular to Shareholders of which this notice of general meeting forms part, be and is hereby approved and ratified.”

Reason for and effect of Special Resolution Number 1

The reason for Special Resolution Number 1 is to ratify the Las Manos Transaction in terms of the Listings Requirements.

The *effect* of Special Resolution Number 1 is to ratify the acquisition by Happy Boom of the Las Manos Sale Shares as a retrospective action in compliance with the Listings Requirements.

Voting requirement

In terms of paragraph 5.69(b) of the Listings Requirements, in order for special resolution number 1 to be adopted, the support of at least 75% of the voting rights exercised thereon by Shareholders (other than Data Force Trading 220 Proprietary Limited and WT de Swart and their associates), present or by proxy at the General Meeting, is required.

SPECIAL RESOLUTION NUMBER 2 – RATIFICATION OF THE LIGITPROPS TRANSACTION AND ACQUISITION OF THE LIGITPROPS SALE SHARES

“Resolved that the acquisition by Apple Way of the Ligitprops Sale Shares issued in terms of the Ligitprops Transaction, as detailed in paragraphs 1.2 and 3 of the Circular to Shareholders of which this notice of general meeting forms part, be and is hereby approved and ratified.”

Reason for and effect of Special Resolution Number 2

The reason for Special Resolution Number 2 is to ratify the Ligitprops Transaction in terms of the Listings Requirements.

The *effect* of Special Resolution Number 2 is to ratify the acquisition by Freedom’s wholly-owned subsidiary Apple Way of the Ligitprops Sale Shares as a retrospective action in compliance with the Listings Requirements.

Voting requirement

In terms of paragraph 5.69(b) of the Listings Requirements, in order for special resolution number 2 to be adopted, the support of at least 75% of the voting rights exercised thereon by Shareholders present or by proxy at the General Meeting, is required.

SPECIAL RESOLUTION NUMBER 3 – SPECIFIC AUTHORITY TO REPURCHASE THE COMPANY’S SHARES

“Resolved that, subject to Shareholders approving special resolutions numbers 1 and 2, the Company be and is hereby authorised in terms of section 48 of the Companies Act and the memorandum of incorporation of the Company and by way of a specific authority, in terms of the Listings Requirements, to repurchase the Zambesa Treasury Shares (totalling 157 050 000 Freedom Shares), as detailed in paragraphs 1.1, 1.2, 4 and 6.6 of the circular to Shareholders (“Circular”) of which this notice of general meeting forms part, for a total consideration of R28 209 301 (“Repurchase Consideration”) as detailed in paragraph 7 of the Circular, which Repurchase Consideration shall be set off against the loan claim of R26 861 624 which is owed by Apple Way to Freedom, and loan claim of R1 347 677 which is owed by Happy Boom to Freedom”.

Reason for and effect of Special Resolution Number 3

The reason for Special Resolution Number 3 is to authorise the Company to repurchase the Zambesa Treasury Shares so that the Permissible Limit is complied with and restore such shares to the authorised unissued share capital of the Company.

The effect of Special Resolution Number 3 is to grant Freedom the authority to repurchase the Zambesa Treasury Shares and restore same to Freedom's authorised unissued share capital.

Voting requirement

In terms of sections 48(8)(b), 62(3)(c) and 65(9) of the Companies Act and paragraph 5.69(b) of the Listings Requirements in order for special resolution number 3 to be adopted, the support of at least 75% of the voting rights exercised thereon by Shareholders, present or by proxy at the General Meeting, is required.

ORDINARY RESOLUTION NUMBER 1

"RESOLVED as an ordinary resolution that any Director of the Company or the Company Secretary be, and hereby is authorised, on behalf of the Company, to do or cause to be done, all such things, and to sign all such documentation as may be necessary or requisite so as to give effect to and implement Special Resolutions Numbers 1 to 3 to be considered at the General Meeting at which this ordinary resolution will be proposed and considered and to ratify actions already taken."

Voting requirement

In order for Ordinary Resolution Number 1 to be approved by Freedom Shareholders, such resolution must be supported by more than 50% of the voting rights exercised thereon.

Voting and proxies

Freedom Shareholders who have not Dematerialised their Shares or who have Dematerialised their Shares with Own Name Registration, and who are entitled to attend and vote at the General Meeting, are entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a Shareholder and shall be entitled to vote on a show of hands or poll. Forms of Proxy must only be completed by Freedom Shareholders who have not Dematerialised their Shares or who have Dematerialised their Shares with Own Name Registration.

On a show of hands, every Freedom Shareholder present in person or represented by proxy and entitled to vote shall have only one vote irrespective of the number of Shares such member holds. On a poll, every Freedom Shareholder present in person or represented by proxy and entitled to vote shall be entitled to one vote for every Share held or represented by that Shareholder. On a poll taken at any such meeting a Shareholder entitled to more than one vote need not, if he votes, use all of his votes, or cast all the votes he uses in the same way.

Freedom Shareholders who have Dematerialised their Shares, other than those Shareholders who have Dematerialised their Shares with Own Name Registration, should contact their CSDP or Broker in the manner and time stipulated in the agreement entered into between them and their CSDP or Broker:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the General Meeting, to obtain the necessary Letter of Representation to do so.

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

In terms of section 164 of the Companies Act, at any time before the Subsequent Repurchase Special Resolution as set out in this notice of General Meeting is voted on, a Shareholder may give Freedom a written notice objecting to that resolution.

A Shareholder may demand that Freedom pay the Shareholder the fair value for all of the Freedom Shares held by that person if:

- the Shareholder has sent Freedom a notice of objection;
- Freedom has adopted the Subsequent Repurchase Special Resolutions; and
- the Shareholder voted against the Subsequent Repurchase Special Resolution and has complied with all of the procedural requirements of section 164 of the Companies Act.

Shareholders are referred to paragraph 6.6.4 of the Circular to which this Notice is attached for more information regarding Appraisal Rights. A copy of section 164 of the Companies Act is set out in **Annexure 2** to the Circular to which this Notice is attached.

By order of the Board

Company Secretary

Statucor Proprietary Limited
Parktown
19 July 2019

Registered office

KWV Building
57 Main Street
Paarl, 7646
(PO Box 188, Paarl, 7620)

Transfer Secretaries

4 Africa Exchange Registry Proprietary Limited
Cedar Woods House
Ballywoods Office Park
33 Ballyclare Drive
Bryanston, 2191
South Africa



FREEDOM

PROPERTY FUND

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")

FORM OF PROXY

For use by Certificated Shareholders and Own Name Registered Dematerialised Shareholders, at the General Meeting of the Company to be held at 10:00 on Tuesday, 20 August 2019 at KWV Building, 57 Main Street, Paarl, Cape Province, 7646.

Dematerialised Shareholders (other than Own Name Dematerialised Shareholders) who wish to attend the General Meeting must obtain from their CSDP or Broker the necessary authorisation to attend the General Meeting or advise their CSDP or Broker as to what action they wish to take in respect of voting at the General Meeting.

I/We (full names in block letters)

of address (please print)

Telephone number:

mobile number:

Email:

being the holder/s of Shares in the Company, do hereby appoint

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the Chairman of the General Meeting,

as my/our proxy to act for me/us and on my/our behalf at the General Meeting which will be held for the purposes of considering and, if deemed fit, for the passing, with or without modification, the special and ordinary resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against such resolutions and/or abstain from voting in respect of the Shares registered in my/our name(s), in accordance with the following (see note 4):

	In favour of	Against	Abstain
Special Resolution number 1 Ratification of the Las Manos Transaction and acquisition of the Lan Manos Sale Shares.			
Ordinary resolution number 2 Ratification of the Ligitprops Transaction and acquisition of the Ligitprops Sale Shares			
Ordinary resolution number 3 Approval of the Subsequent Repurchase of 157 050 000 Freedom Shares			
Ordinary Resolution number 1 Directors' authorisation.			

Shareholders entitled to attend and vote at the General Meeting may, in terms of section 58 of the Companies Act, appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a Shareholder of the Company.

Signature (see note 8)

Assisted by me where applicable (see note 9) (State capacity and full name)

Please read the notes on the reverse side hereof.

Summary of the rights of a Shareholder to be represented by proxy, as set out in section 58 of the Companies Act:

1. A proxy appointment must be in writing, dated and signed by the Shareholder appointing a proxy and, subject to the rights of a Shareholder to revoke such appointment (as set out below), remains valid only until the end of the meeting.
2. A proxy may delegate the proxy's authority to act on behalf of a Shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
3. The appointment of a proxy is suspended at any time and to the extent that the Shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a Shareholder.
4. The appointment of a proxy is revocable by the Shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.
5. If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to the Shareholder, must be delivered by the Company to (a) the Shareholder, or (b) the proxy or proxies, if the Shareholder has (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so.
6. Attention is also drawn to the "Notes to the Form of Proxy".
7. The completion of a Form of Proxy does not preclude any Shareholder attending the meeting.

Notes to the Form of Proxy:

1. A Shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a Shareholder of the Company. Satisfactory identification must be presented by any person wishing to attend the meeting.
2. A Form of Proxy is only to be completed by those Shareholders who hold Shares in Certificated form or are recorded on sub-register electronic form in "own name". All other beneficial owners who have Dematerialised their Shares through a CSDP or Broker and wish to attend the meeting must provide the CSDP or Broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or Broker.
3. A Shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the spaces provided, with or without deleting "the Chairman of the meeting", but any such deletion must be initialed by the Shareholder. The person whose name is first on this Form of Proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.
4. Please insert an "X" in the relevant spaces indicating how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of Shares than you own in the Company, insert the number of Shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the meeting as he/she deems fit in respect of all the Shareholders' votes exercisable thereat. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by the Shareholder or by his/her proxy, but the total of the votes cast in respect of which abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or by his/her proxy.
5. Shareholders are requested to lodge the Form of Proxy with the Transfer Secretaries, by no later than 10:00 on Friday, 16 August 2019. Any Forms of Proxy not received by this time may be handed to the Chairman of the meeting immediately prior to the meeting.
6. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
7. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity must be attached hereto, unless previously recorded by the Transfer Secretaries or waived by the Chairman of the meeting.
8. Any alteration or correction made to this Form of Proxy must be initialed by the signatory/ies.
9. A minor must be assisted by his/her parents or guardian unless the relevant documents establishing his/her capacity are produced or have been registered by the Transfer Secretaries.
10. The Chairman of the meeting may reject or accept any Form of Proxy which is completed other than in accordance with these instructions provided he is satisfied as to the manner in which the Shareholder wishes to vote.