

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

DISPOSAL OF ERF 1210 AND A PORTION OF ERF 1212 OF STEELPOORT EXTENSION 10 IN THE
KT REGISTRATION DIVISION OF THE PROVINCE OF LIMPOPO

1. INTRODUCTION

Shareholders are advised that a wholly owned subsidiary of Freedom, Kadoma Investments Proprietary Limited (the "Seller") has entered into two sale agreements (the "Sale Agreements") with Boulder Processing Proprietary Limited (the "Purchaser") in terms of which the Purchaser will acquire, pursuant to the Erf 1210 sale agreement (the "Erf 1210 Sale Agreement"), Erf 1210 (Steelpoort Extension 10) in the KT registration division in the Limpopo Province ("Erf 1210") for a total consideration of R10,000,000 (ten million Rand) and pursuant to the Erf 1212 sale agreement (the "Erf 1212 Sale Agreement") a portion of Erf 1212 (Steelpoort Extension 10) in the KT registration division in the Limpopo Province ("Erf 1212") for a consideration of R3,452,000.00 (three million four hundred and fifty two thousand Rand) in cash ("Cash Consideration") and collectively referred to as (the "Sale").

2. RATIONALE FOR THE SALE

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

3. BACKGROUND TO THE SELLER AND THE PURCHASERS

3.1. The Company

The Seller is a wholly owned subsidiary of Freedom and the owner of the Property.

3.2. The Purchaser

The Purchaser is a private company incorporated in South Africa.

4. MATERIAL TERMS OF THE SALE AGREEMENT

4.1. Conditions Precedent

All conditions precedent to the Sale, including approval by the board of directors of each of the Seller and other than:

- In relation to the Erf 1210 Sale Agreement, the completion of a satisfactory due diligence in relation to Erf 1210 ("Due Diligence") by the Purchaser by 15 March being 30 calendar days following the date of signature by the Purchaser of the Erf 1210 Sale Agreement;
- In relation to the Erf 1212 Sale Agreement, the rezoning of Erf 1212 and subdivision thereof to create Area B, having same consolidated with a pre-existing subdivision, the removal of certain servitudes related

to both and the entering into of a lease agreement between the Seller and the Purchase for certain designated areas of Erf 1212;
- have been fulfilled.

4.2. Sale Consideration

The Cash Consideration will be payable to the Seller on the transfer of the Property.

4.3. Effective Date

The effective date of the Sale Agreement will be the date of fulfilment (or waiver, as the case may be) of all of the conditions precedent set out in paragraph 4.1 above.

4.4. Other

Freedom and the Purchaser have each provided warranties that are standard to a transaction of this nature.

5. VALUE AND PROFITS ATTRIBUTABLE TO THE PROPERTY

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

ERF 1210

Title deed number: T35998/2011

Location: Limpopo Province

Sector: Industrial

Original purchase price: R8,536,070

Valuation (2015): R18,058,466

Gross lettable area: 1240

Weighted average rental per square meter: 70

Gross rental income per month: R110,000

Erf 1210 contributed R114,950 to the Group's earnings and headline earnings respectively for the year ended 28 February 2015.

ERF 1212

Title deed number: T35998/2011

Location: Limpopo Province

Sector: Industrial

Original purchase price: R8,653,895

Valuation (2015): R18,307,731

Gross lettable area: n.a

Weighted average rental per square meter: n.a

Gross rental income per month: n.a

Erf 1212 is presently zoned as private open space with a total extent of 6.583Ha and hence is held for development and is not subject to a lease. No costs were contributed to the Group's earnings for the year ended 28 February 2015.

6. CATEGORISATION

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

Johannesburg
20 February 2017

Sponsor
Bravura Capital Proprietary Limited