

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 PORTION 18 OF FARM 799 BY FREEDOM'S WHOLLY OWNED SUBSIDIARY, CLEAR CREEK TRADING 145 PROPRIETARY LIMITED

1. INTRODUCTION

Shareholders are advised that a wholly owned subsidiary of Freedom, Clear Creek Trading 145 Proprietary Limited (the "Seller") has entered into a sale agreement ("Sale Agreement") with Struwig Project Managing CC (the "Purchaser") in terms of which the Purchaser will acquire (the "Sale") the remainder of Portion 18 of Farm 799 in the division of East London in the Eastern Cape Province (the "Property"), for a total consideration of R13,680,000.00 (thirteen million six hundred and eighty thousand Rand) in cash inclusive of Valued Added Tax (the "Consideration").

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 SENS 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 PURCHASER

3.1. The Seller

The Seller is a wholly owned subsidiary of Freedom and the owner of the Property, located in the Registration Division of East London and in extent 17,9910 ha (seventeen comma nine nine one zero hectares).

3.2. The Purchaser

The Purchaser is a closed corporation registered in South Africa.

4. MATERIAL TERMS OF THE SALE AGREEMENT

4.1. Conditions Precedent

All conditions precedent to the Sale have been fulfilled.

4.2. Sale Consideration

The Consideration is payable as follows:

- R5,000,000.00 (five million Rand) is payable on the date of transfer of the Property;
- R2,500,000.00 (two million five hundred thousand Rand) is payable on or before 30 April 2017;
- R1,680,000.00 (one million six hundred and eighty thousand Rand) is payable on the refund by the South African Revenue Service of the VAT component of the Consideration to the Purchaser; and
- R4,500,000.00 (four million five hundred thousand Rand) is payable on or before 30 April 2018.

4.3. Effective Date

The effective date of the Sale is 8 March 2017.

4.4. Other

The Seller 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 Seller, Mr JS Bosman (M.I.V) (SA), is as set out below:

Title deed number:	1685/2014
Location:	Gonubie, Eastern Cape
Sector:	Residential
Original purchase price:	R46,500,000.00 (forty-six million five hundred thousand Rand)
Valuation:	R115,900,000.00 (one hundred and fifteen million nine hundred thousand Rand)
Gross lettable area:	47,589sqm

The Property was held for development and hence the gross lettable area, the weighted average rental per square meter and rental income amounts are not available.

The Property contributed R54,021,000 (fifty-four million and twenty-one thousand Rand) to earnings being the revaluation of the Property net of deferred taxes for the period ending 28 February 2015. The revaluation was not taken into consideration for the determination of headline earnings and hence the contribution of the Property to same was Rnil for this period.

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

9 March 2017

Sponsor

Bravura Capital Proprietary Limited