

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")

DISPOSAL OF PORTOLAN PLACE AND RELATED PARTY CIRCULAR

1. DISPOSAL OF PORTOLAN PLACE

1.1 Introduction

The Portolan Place ("Property") was acquired by the Company through Clear Creek Trading 145 (Proprietary Limited ("Clear Creek")) in terms of agreements concluded on 2 May 2013 for an amount of R49 496 397 (including allocated acquisition costs). Freedom, through Clear Creek, has concluded an agreement ("Sale Agreement") to dispose of the Property to Garvin Investment Holdings Proprietary Limited, registration number 2014/223988/07 ("the Purchaser"), for a sale consideration of R22 000 000 ("the Disposal") plus VAT. The effective date of the Disposal is the date of registration of transfer of the Property into the name of the Purchaser in the relevant deeds office, which is expected to take place on or about 31 May 2016.

1.2. Property details

The Property is immovable property located at Gonubie, East London, Eastern Cape. The following detail is applicable to the Property:

Title Deed Number	T1685/2014, (Portion 18 of Farm 799, East London
Sector	Residential
Size	17, 9910 Hectares
Purchase price	R49 496 397
Valuation of Property	R 115 900 000

Note

The Property was valued by JS Bosman (M.I.V) (SA), an external independent valuer, effective 28 February 2015.

1.3. Disposal proceeds & rationale

The proceeds of the Disposal, being R22 000 000, excluding VAT, are payable in cash on registration of transfer of the Property into the name of the Purchaser in the relevant deeds office. The proceeds will be applied to specific approved future developments and projects within the Group.

In line with the Company's short to medium term strategy, the current focus is to dispose of non-core assets and to develop its residential properties, including Gevonden and Tubatse Homes, details of which are contained in Freedom's Integrated Report for the year ended 28 February 2015 and available on the Company's website at www.freedompropertyfund.com.

1.4. Suspensive conditions

1.4.1 The Purchaser performing a due diligence investigation within 30 business days after receiving the documentation they require from Clear Creek.

- 1.4.2 The Purchaser obtaining formal approval for a loan within 15 business days after the expiry of the due diligence period referred to above.
- 1.4.3 The Seller providing the Purchaser with the approval of the shareholders of the seller approving the sale as set out in the Sale Agreement.

1.5. Warranties

The Company and the Purchaser have provided each other with warranties that are standard to a transaction of this nature.

1.6. Categorisation of Disposal in terms of the JSE Listings Requirements

The Disposal is classified as a category 2 transaction in terms of the JSE Listings Requirements. The JSE does not require the approval of shareholders for a category 2 transaction.

1.7. Financial information

The net asset value contribution of the Property to the Company was approximately R54 000 000 as at 28 February 2015. The property is dormant and did not accrue any income. The property, through Clear Creek, contributed costs of R7 144 to the group at 28 February 2015 and R41 757 for the six months ended 31 August 2015.

2. RELATED PARTY CIRCULAR

Further to the announcement, dated 12 January 2016, setting out the proposed amendments to the settlement terms of specific acquisition agreements between Freedom and the Christo Le Grange Gesins Trust, Shareholders are advised that the circular is expected to be posted to Shareholders on or about Friday, 25 March 2016.

Johannesburg

24 February 2016

Sponsor

KPMG Service Proprietary Limited