
POSTING OF CIRCULAR, NOTICE OF DEBENTURE HOLDERS SCHEME MEETING AND NOTICE OF SHAREHOLDERS GENERAL MEETING

1. INTRODUCTION

Linked unitholders are advised that the company has on Monday, 30 March 2015 posted a circular to linked unitholders (the "**circular**") relating to:

- the conversion of the company's current linked unit capital structure to an all share structure by:
 - the delinking of each Rebosis ordinary share from a Rebosis debenture so as to no longer constitute a linked unit;
 - the cancellation of each debenture and concomitant waiver, for no consideration, by the debenture holders of their right to be repaid the debt reflected in each debenture or to receive any other form of compensation;
 - the capitalisation of the value allocated to each debenture in the books of account of the company, equating to the issue price of each debenture (which will, pursuant to the waiver by each of the debenture holders of the right to be repaid the debt reflected in each debenture, constitute a profit and be available for capitalisation for no consideration), to Rebosis' stated capital account; and
 - the termination of the Debenture Trust Deed,
- to be effected by way of a scheme of arrangement in terms of section 114 of the Companies Act, 71 of 2008 (the "**Companies Act**") which scheme is being proposed by the company between the company and its debenture holders (the "**scheme**");
- the amendment of Rebosis' Memorandum of Incorporation to enable the scheme and the creation of a new class of "A" ordinary shares;
- the amendment of Rebosis' Debenture Trust Deed to enable the scheme;
- the increase of Rebosis' authorised share capital;
- the creation of a new class of Rebosis "A" ordinary shares;
- the adoption of a new Memorandum of Incorporation to give effect to the changes in Rebosis' capital structure; and
- the subsequent termination of Rebosis' Debenture Trust Deed,

(collectively the "**transactions**").

The circular contains a notice convening a debenture holders scheme meeting, to be held at 10:00 on Thursday, 30 April 2015 at the registered office of Rebosis at 3rd Floor, Palazzo Towers West, Montecasino Boulevard, Fourways, 2191 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to approve the transactions, including the scheme.

The circular further contains a notice convening a shareholders general meeting, to be held at the later of 10:30 or 10 minutes after the completion of the debenture holders scheme meeting on Thursday, 30 April 2015 at the registered office of Rebosis at 3rd Floor, Palazzo Towers West, Montecasino Boulevard, Fourways, 2191 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to approve the transactions.

The circular is also available in electronic format on the company's website at www.rebosis.co.za.

2. RATIONALE

In terms of the revised section 13 of the JSE Listings Requirements (which have been amended to cater for REIT legislation), the total consolidated IFRS liabilities of a REIT may not exceed 60% of its total consolidated

IFRS assets. The liability constituted by a company's issued debentures is (in terms of IFRS) required to be taken into account in the calculation for the determination of such 60% threshold.

By converting its capital structure, Rebosis will, by virtue of the cancellation of its issued debentures, further reduce the ratio of its total consolidated liabilities to total consolidated assets to 29.41% (calculated as at the last practicable date with reference to the company's audited results for the year ended 31 August 2014). This will ensure that the company's consolidated liabilities remain below the aforementioned 60% threshold requirement and will also provide the company with greater flexibility to take on additional debt, and thus allow the company to pursue an acquisitive growth strategy whilst limiting potential shareholder dilution, should the need arise.

Additional benefits in converting the company's current linked unit capital structure to an all share structure include:

- the alignment of the company's capital structure with the internationally recognised all equity REIT capital structures;
- simplifying the administration and accounting treatment of the company's capital structure; and
- the removal of the cost structure associated with debentures.

3. CONDITIONS PRECEDENT TO THE SCHEME

The scheme will be subject to the following conditions precedent:

- the approval of the scheme by the requisite majority of debenture holders, as contemplated in section 115(2) of the Companies Act; and
 - to the extent required, the approval of the implementation of such resolution by the Court as contemplated in section 115(3)(a) of the Companies Act; and
 - if applicable, the company not treating the aforesaid resolution as a nullity, as contemplated in section 115(5)(b) of the Companies Act;
- the requisite majority of debenture holders approving the relevant resolutions required to authorise:
 - the delinking of each of the company's ordinary shares from a debenture so as to no longer constitute a linked unit;
 - the amendment of the Rebosis Debenture Trust Deed; and
 - the termination of the Debenture Trust Deed, without payment or other compensation to debenture holders;
- the requisite majority of shareholders approving the relevant resolutions required to authorise:
 - the delinking of each of the company's ordinary shares from a debenture so as to no longer constitute a linked unit;
 - the amendment of Rebosis' Memorandum of Incorporation;
 - the increase of the company's authorised share capital;
 - the creation of a new class of Rebosis "A" ordinary shares;
 - the adoption of a new Memorandum of Incorporation;
- in respect of adoption of the new Memorandum of Incorporation, no shareholder exercises its dissenting shareholder appraisal rights in terms of section 164 of the Companies Act; and
- all applicable regulatory and statutory approvals being obtained.

The conditions precedent have been inserted in the company's favour. If a condition is capable of being waived the company may, in its sole discretion, waive the condition at any time prior to the due date for the fulfilment thereof.

4. SECTION 114 REPORT

The board has appointed Mazars Corporate Finance Proprietary Limited (the "**independent expert**") as the independent expert (which meets the requirements set out in section 114(2) of the Companies Act) to advise it on the proposed scheme and to compile a report in terms of section 114 of the Companies Act to the independent board concerning the scheme.

The independent expert has prepared a report to the board in compliance with section 114(3) of the Companies Act, which report confirms that the scheme is fair and reasonable to Rebosis' debenture holders. The independent expert's report is included in the circular.

5. VIEWS OF THE BOARD

None of the directors have any conflict of interests in relation to the scheme and all directors are able to make impartial decisions in relation to the scheme. Accordingly, all directors are considered to be "independent" (as defined under Regulation 81 of the Takeover Regulations).

The board, having considered the terms and conditions of the scheme, is in favour of the scheme and the transactions and recommends that linked unitholders vote in favour of the resolutions set out in the notice of debenture holders scheme meeting and the notice of shareholders general meeting, to implement the scheme and the transactions.

The directors of the company who hold linked units intend to vote in favour of the resolutions set out in the notice of debenture holders scheme meeting and the notice of shareholders general meeting, to implement the scheme and the transactions.

6. SALIENT DATES AND TIMES

The salient dates and times relating to the transactions are as set out below.

	2015
Record date in order to receive circular (together with the notices convening the debenture holders scheme meeting and the shareholders general meeting)	Friday, 20 March
Circular (together with the notices convening the debenture holders scheme meeting and the shareholders general meeting) posted	Monday, 30 March
Announcement relating to the issue of the circular (together with notices convening the debenture holders scheme meeting and the shareholders general meeting) released on SENS	Monday, 30 March
Announcement relating to the issue of the circular (together with the notices convening the debenture holders scheme meeting and the shareholders general meeting) published in the press	Tuesday, 31 March
Last day to trade in order to be eligible to vote at the debenture holders scheme meeting and the shareholders general meeting	Friday, 17 April
Voting record date	Friday, 24 April
Last day to lodge forms of proxy for the debenture holders scheme meeting (by 10:00)	Tuesday, 28 April
Last day to lodge forms of proxy for the shareholders general meeting (by 10:30)	Tuesday, 28 April
Debenture holders scheme meeting held at 10:00	Thursday, 30 April
Shareholders general meeting held at the later of 10:30 or 10 minutes after the completion of the debenture holders scheme meeting	Thursday, 30 April
Results of the debenture holders scheme meeting and the shareholders general meeting released on SENS	Thursday, 30 April
Special resolutions submitted to CIPC for filing	Monday, 4 May
Results of the debenture holders scheme meeting and the shareholders general meeting published in the press	Monday, 4 May
Last date on which debenture holders may require the company to obtain court approval in terms of section 115(3)(b) of the Companies Act if the scheme is approved by debenture holders at the debenture holders scheme meeting	Friday, 15 May
<i>If no debenture holders exercise their rights in terms of section 115(3)(b) of the Companies Act</i>	

Special resolutions expected to be registered by CIPC	Wednesday, 20 May
Finalisation date expected to be	Friday, 22 May
Finalisation date announcement expected to be released on SENS	Friday, 22 May
Finalisation date announcement expected to be published in the press	Monday, 25 May
Expected last day to trade in existing linked units on the JSE prior to the delinking of the linked units and the capitalisation of the debentures	Friday, 29 May
Trading in delinked ordinary shares of no par value under the new ISIN: ZAE000201687 and the existing code of "REB" commences	Monday, 1 June
Expected suspension of listing of linked units on the JSE	Monday, 1 June
Expected scheme implementation record date for the delinking of the linked units and the capitalisation of the debentures at the close of business	Friday, 5 June
Expected scheme operative date	Monday, 8 June
Expected date dematerialised shareholders will have their accounts updated at their CSDP or broker	Monday, 8 June
Expected date of issue of new replacement share certificates provided that the old linked unit certificates have been surrendered by 12:00 on Friday, 5 June 2015 (any certificated linked units surrendered after this date will be replaced within five business days after receipt by the transfer secretaries)	Monday, 8 June
Expected termination of listing of linked units (at the commencement of trade)	Monday, 8 June

Notes:

1. All dates and times may be changed by the company. Any change will be published on SENS and in the South African press.
2. Linked unitholders should note that as transactions in Rebosis linked units are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade. Therefore, unitholders who acquire Rebosis linked units after Friday, 17 April 2015 will not be eligible to vote at the debenture holders scheme meeting or the shareholders general meeting.
3. All times set out above are local times in South Africa.
4. If the debenture holders scheme meeting and/or the shareholders general meeting are adjourned or postponed, forms of proxy submitted for the initial debenture holders scheme meeting and/or shareholders general meeting, as the case may be, will remain valid in respect of any adjournment or postponement of the debenture holders scheme meeting and/or the shareholders general meeting, as the case may be.
5. No dematerialisation of linked unit certificates may take place after Friday, 29 May 2015.

30 March 2015

**Corporate advisor, debenture trustee
and sponsor**



Independent expert



MAZARS
CORPORATE FINANCE (PTY) LTD

Legal advisor

