

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 2 of this Circular apply *mutatis mutandis* throughout this Circular.

Shareholders are referred to page 3 of this Circular which sets out the detailed action required of Certificated and Dematerialised Shareholders.

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

If you have disposed of all of your Shares in Putprop, then this Circular, together with the accompanying Form of Instruction, should be forwarded to the purchaser to whom, or the broker, agent, CSDP or banker through whom you disposed of your Shares.



PUTPROP LIMITED

Incorporated in the Republic of South Africa
(Registration number 1998/001085/06)
Share code: PPR ISIN: ZAE000072310
("Putprop" or "the Company")

Circular to shareholders of Putprop

regarding

- a partially underwritten renounceable rights offer of 15 879 318 new Shares at a subscription price of 630 cents per Rights Offer Share, in the ratio of 55.15 Rights Offer Shares for every 100 Shares held at the close of business on Friday, 20 February 2015;

and enclosing

- a Form of Instruction for use by Certificated Shareholders only.

Rights Offer opens at 09:00 on

Monday, 23 February 2015

Rights Offer closes at 12:00 on

Friday, 6 March 2015

All the advisers whose names and reports are included in this Circular have given and have not, prior to publication of this Circular withdrawn their written consents for the inclusion of their names and reports in the form and context in which they appear.

Bookrunner, Corporate
Adviser and Sponsor

Underwriter

Merchantec
capital

Carleo Enterprises

Date of issue: 16 February 2015

Copies of this circular, in its printed format, may be obtained from the registered office of the Company and the Sponsor at the addresses set out in the "Corporate information" section of this Circular during normal business hours from Monday, 16 February 2015 up to and including Friday, 6 March 2015 or on the Company's website at www.putprop.co.za. A copy of this Circular, together with the Form of Instruction and other requisite documents referred to in section 99(4)(b) of the Companies Act, were filed and approved by the JSE. This Circular is not an invitation to the public to subscribe for Shares, but is issued in compliance with the Listings Requirements for the purpose of providing information to the public with regard to the Company, is available in the English language only.

DISCLAIMER

All transactions arising from the provisions of this Circular and the Form of Instruction shall be governed by and be subject to the laws of South Africa. The Rights Offer may be affected by the laws of the relevant jurisdictions of foreign Shareholders. Such foreign Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions in relation to all aspects of this Circular that may affect them, including the Rights Offer. It is the responsibility of any foreign Shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Rights Offer, including the obtaining of any governmental, exchange control or other consent or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes or requisite payments due in such jurisdiction. The Rights Offer is further subject to any other applicable laws and regulations, including the Exchange Control Regulations. Any foreign Shareholder who is in doubt as to his position, including without limitation his tax status, should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

CORPORATE INFORMATION

Putprop Limited

Date of incorporation: 25 February 1988

Place of incorporation: South Africa

Company Secretary and registered address of Putprop

Acorim Proprietary Limited

(Registration number 2013/087325/07)

91 Protea Road

Chislehurst

Sandton, Johannesburg, 2096

(PO Box 41480, Craighall, 2024)

Corporate Adviser and Sponsor

Merchantec Capital

(Registration number 2008/027362/07)

2nd Floor, North Block

Hyde Park Office Tower

Corner 6th Road and Jan Smuts Avenue

Hyde Park, Johannesburg, 2196

(PO Box 41480, Craighall, 2024)

Transfer Secretaries

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

Ground Floor

70 Marshall Street

Johannesburg, 2001

(PO Box 61051, Marshalltown, 2107)

FORWARD-LOOKING STATEMENT DISCLAIMER

This Circular includes statements about Putprop and/or the Putprop Group that are, or may be deemed to be forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words such as "believe", "aim", "expect", "project", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "will", "estimated", "potential" or similar words and phrases.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Putprop cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Putprop operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions made by Putprop, as communicated in publicly available documents by Putprop, all of which estimates and assumptions, although Putprop believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Putprop or not currently considered material by Putprop.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Putprop not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Putprop has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

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ACTION REQUIRED BY SHAREHOLDERS IN RELATION TO THE RIGHTS OFFER

PLEASE TAKE CAREFUL NOTE OF THE FOLLOWING PROVISIONS REGARDING THE ACTION REQUIRED BY PUTPROP SHAREHOLDERS:

1. If you are in any doubt as to what action to take, you should consult your broker, CSDP, attorney, accountant, banker, or other professional adviser immediately.
2. If you have disposed of all of your Shares in Putprop, then this Circular, together with the accompanying Form of Instruction, should be forwarded to the purchaser to whom, or the broker, agent, CSDP or banker through whom you disposed of your Shares.
3. Shares in companies listed on the JSE can no longer be traded on the JSE unless they have been Dematerialised onto the Strate system. It is therefore suggested that Certificated Shareholders Dematerialise their Documents of Title and replace them with electronic records of ownership. In this regard, Shareholders may contact either a CSDP or broker, details of which are available from Strate at liaisondesk@strate.co.za or telephone +27 (0)11 759 5300 or facsimile +27 (0)11 759 5503.
4. Certificated Shareholders wishing to Dematerialise their Shares are advised that the Dematerialisation process can take between 1 (one) and 10 (ten) days, depending on the volumes being processed at the time.

SHAREHOLDERS WHO HAVE DEMATERIALISED THEIR PUTPROP SHARES

Dematerialised Shareholders:

1. will **NOT** receive a "printed" Form of Instruction, but will have their accounts updated with their Rights Offer Entitlement by their CSDP or broker;
2. should timeously instruct their CSDP or broker as to whether they wish to subscribe for all or part of their Rights Offer Entitlement, or sell all or part of their Rights Offer Entitlement or renounce all or part of their Rights Offer Entitlement, in the manner and time stipulated in the Custody Agreement;
3. who wish to apply for additional Rights Offer Shares ("**Excess Applications**"), must instruct their CSDP or broker as to the number of additional Rights Offer Shares for which they wish to apply, by the cut-off time required by the CSDP or broker, and ensure that sufficient funds are deposited with their CSDP or broker;
4. who do not issue instructions to their CSDP or broker, will result in the CSDP or broker acting in accordance with the Custody Agreement; and
5. should note that Putprop assumes no responsibility and will not be held liable for any failure on the part of their CSDP or broker to notify them of the Rights Offer and to receive instruction in regard thereto.

SHAREHOLDERS WHO HAVE NOT DEMATERIALISED THEIR PUTPROP SHARES

Certificated Shareholders:

1. will have their Letter of Allocation created in electronic form with Computershare Investor Services to ensure that Certificated Shareholders have the same rights and opportunities in respect of the Rights Offer as Dematerialised Shareholders;
2. will receive a printed Form of Instruction in relation to the Letter of Allocation, providing for the sale of all, or part of, the rights embodied in the Form of Instruction, the subscription for Rights Offer Shares in terms thereof, or the renunciation of their rights and must act in accordance with the instructions thereon; and

3. who wish to **subscribe** for all of the Rights Offer Entitlement, must complete **Blocks (5) and (6)** of the Form of Instruction in accordance with the instructions contained therein, attach their cheques, banker's draft or EFT swift reference number for the appropriate amount and lodge same with the Transfer Secretaries as set out below:

Hand deliveries to:

Putprop Limited
c/o Computershare Investor Services
Ground Floor, 70 Marshall Street
Johannesburg, 2001

Postal deliveries to:

Putprop Limited
c/o Computershare Investor Services
PO Box 61763
Marshalltown, 2107

Faxed to:

(only in the case where payment is by way of EFT)

Putprop Limited
c/o Computershare Investor Services
Proprietary Limited +27 (0)11 688 5210

Emailed to:

(only in the case where payment is by way of EFT)

corporate.events@computershare.co.za

so as to reach the Transfer Secretaries by no later than **12:00** on Friday, 6 March 2015.

Computershare Investor Services will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of faxed or emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any other facsimile or email address other than those provided above. Forms of Instruction shall be deemed to be received on the date reflected in Computershare's electronic or facsimile systems. Notwithstanding anything to the contrary, it is the responsibility of a Shareholder to ensure that his Form of Instruction is received by Computershare Investor Services.

4. who wish to apply for additional Rights Offer Shares, must complete **Blocks (7) and (8)** of the Form of Instruction in accordance with the instructions contained therein, so as to reach the Transfer Secretaries by no later than **12:00** on Friday, 6 March 2015, together with sufficient funds to cover such application in accordance with their instruction. The right to apply for additional Rights Offer Shares is transferable on renunciation of the Letters of Allocation. Refund cheques in respect of unsuccessful Excess Applications will be posted by registered post to the relevant applicants, at their own risk, on or about Wednesday, 11 March 2015. No interest will be paid on monies received in respect of unsuccessful applications;
5. will receive certificated share certificates in respect of the Rights Offer Shares;
6. will only be able to trade their Rights Offer Shares on the JSE once they have been Dematerialised (this could take between 1 (one) and 10 (ten) days, depending on the volume being processed at the time);
7. who wish to **sell** all or part of the rights allocated to them in terms of the Rights Offer must complete **Form A** on the enclosed Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than **12:00** on Friday, 27 February 2015. Computershare Investor Services will endeavour to procure the sale of the Rights Offer Entitlement on the JSE on behalf of such certificated rights recipients and will remit the proceeds in accordance with the payment instructions reflected in the Form of Instruction, net of brokerage charges and associated expenses. Neither Computershare Investor Services, nor any broker appointed by it, will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such rights; and
8. who wish to **renounce** their Rights Offer Entitlement in favour of any named Renounee must complete **Form B** on the enclosed Form of Instruction and the Renounee must complete **Form C** on the enclosed Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than **12:00** on Friday, 6 March 2015, together with a cheque, banker's draft or EFT swift reference number indicating the EFT payment for the appropriate amount.

IMPORTANT DATES AND TIMES IN RELATION TO THE RIGHTS OFFER

	2015
Rights Offer Declaration Data announcement released on SENS	Friday, 6 February
Rights Offer Finalisation announcement released on SENS	Tuesday, 10 February
Last day to trade in Putprop Shares in order to settle trades by the Record Date for the Rights Offer and to qualify to participate in the Right Offer (cum entitlement) on	Friday, 13 February
Listing of and trading in the Letters of Allocation on the JSE under JSE code PPRN and ISIN ZAE000199444 commences at 09:00 on	Monday, 16 February
Putprop Shares commence trading ex-rights on the JSE at 09:00 on	Monday, 16 February
Circular and Form of Instruction posted to Certificated Shareholders	Tuesday, 17 February
Record date for the Rights Offer for purposes of determining the Putprop Shareholders entitled to participate in the Rights Offer at the close of business on	Friday, 20 February
Rights Offer opens at 09:00 on	Monday, 23 February
Holders of Dematerialised Putprop Shares will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation on	Monday, 23 February
Holders of Certificated Putprop Shares will have their Letters of Allocation credited to an electronic register at the Transfer Secretaries on	Monday, 23 February
Circular distributed to Dematerialised Shareholders, who have elected to receive such documents	Tuesday, 24 February
Last day to trade in Letters of Allocation in order to settle trades by the Record Date for the Letters of Allocation and participate in the Rights Offer at the close of business on	Friday, 27 February
Last day for Form of Instruction to be lodged with the Transfer Secretaries by holders of Certificated Putprop Shares wishing to sell all or part of their Rights Offer Entitlement by 12:00 on	Friday, 27 February
Listing and trading of Rights Offer Shares commences on the JSE at 09:00 on	Monday, 2 March
Last day for Form of Instruction to be lodged with the Transfer Secretaries by holders of Certificated Putprop Shares wishing to subscribe for or renounce all or part of their Rights Offer Entitlement by 12:00 on (see note 2)	Friday, 6 March
Record date for Letters of Allocation	Friday, 6 March
Rights Offer closes at 12:00 and payment to be made on	Friday, 6 March
CSDP/broker accounts credited with Rights Offer Shares and debited with the payments due in respect of holders of Dematerialised Putprop Shares on	Monday, 9 March
Rights Offer Share certificates in terms of the Rights Offer posted to holders of Certificated Putprop Shares via registered post on or about	Monday, 9 March
Results of Rights Offer announced on SENS on	Monday, 9 March
CSDP/broker accounts credited with excess Rights Offer Shares, where applicable, and debited with the payments due in respect of holders of Dematerialised Putprop Shares on	Wednesday, 11 March
Rights Offer Share certificates in terms of the excess Rights Offer Shares, where applicable, posted to holders of Certificated Putprop Shares via registered post on or about	Wednesday, 11 March
Refund cheques posted to holders of Certificated Putprop Shares in respect of unsuccessful applications via registered post on or about	Wednesday, 11 March

Notes:

1. Holders of Dematerialised Putprop Shares are required to notify their CSDP or broker of the action they wish to take in respect of the Rights Offer in the manner and by the time stipulated in the agreement governing the relationship between the Dematerialised Shareholder and his CSDP or broker.
2. Putprop share certificates may not be Dematerialised or rematerialised between Monday, 16 February 2015 and Friday, 20 February 2015, both days inclusive.
3. CSDPs effect payment in respect of holders of Dematerialised Rights Offer Shares on a delivery versus payment basis.
4. To the extent that the rights are accepted, Dematerialised Shareholders will have their accounts at their CSDP automatically credited with their rights and Certificated Shareholders will have their rights credited to an account at Computershare Investor Services.
5. Rights Offer share certificates to be issued in terms of the Rights Offer will be posted to persons entitled thereto, by registered post, at the risk of the Certificated Shareholders concerned.

DEFINITIONS AND INTERPRETATIONS

In this circular and the annexures hereto, unless the context otherwise indicates, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column hereunder have the meaning stated opposite them in the second column, as follows:

“Board” or “Directors”	the board of directors of Putprop at the last practicable date whose details are set out in paragraph 9 of this Circular;
“Business Day”	any day other than a Saturday, Sunday or a public holiday in South Africa;
“Carleo Enterprises”	Carleo Enterprises Proprietary Limited (Registration number 1970/016511/07), a private company duly incorporated in accordance with the laws of South Africa, Putprop’s holding company, and whose ultimate holding company is Carleo Investments;
“Carleo Investments”	Carleo Investments Proprietary Limited (Registration number 1957/001181/07), a private company duly incorporated in accordance with the laws of South Africa and whose shareholders are Lualb Investments Proprietary Limited, Atrani Investments Proprietary Limited, Initiative SA Investments 32 Proprietary Limited and A Senatore Family Investments Proprietary Limited;
“Certificated Share”	a Putprop Share that has not been Dematerialised, title to which is evidenced by a Document of Title;
“Certificated Shareholder”	a Putprop Shareholder who holds Certificated Shares;
“Circular”	this bound document, dated 16 February 2015, including the annexures hereto and incorporating a Form of Instruction;
“Common Monetary Area”	South Africa, the Republic of Namibia and Kingdoms of Lesotho and Swaziland;
“Companies Act”	the Companies Act, 2008 (Act 71 of 2008), as amended;
“Computershare Investor Services” or “Transfer Secretaries”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, appointed by an individual shareholder for the purposes of, and in regard to dematerialisation;
“Custody Agreement”	the agreement which regulates the relationship between the CSDP or broker and each beneficial holder of dematerialised shares;
“Dematerialisation”	the process by which Certificated Shares are converted into electronic format as Dematerialised Shares and recorded in Putprop’s Uncertificated Securities Register;
“Dematerialised Share”	a Putprop Share that has been Dematerialised or has been issued in Dematerialised form, and recorded in Putprop’s Uncertificated Securities Register;
“Dematerialised Shareholder”	a Putprop Shareholder who holds Dematerialised Shares;
“Designated Bank Account”	the bank account, the details of which will be provided on request from the corporate actions department of Computershare Investor Services, contactable during ordinary business hours on +27(0)86 110 0634;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts and/ or any other form of acceptable document of title acceptable to Putprop in respect of Putprop Shares;
“EFT”	Electronic Funds Transfer;

“Exchange Control Regulations”	the Exchange Control Regulations, promulgated in terms of section 9 of the Currency and Exchanges Act, 1933 (Act 9 of 1933), as amended;
“Financial Markets Act”	Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“Form of Instruction”	the enclosed form of instruction in respect of a Letter of Allocation reflecting entitlement of Certificated Shareholders, and on which Certificated Shareholders must indicate to the Transfer Secretaries, whether they wish to take up, renounce or sell all or part of the Rights Offer Entitlement;
“GLA”	gross lettable area;
“Group” or “Putprop Group”	Putprop and its Subsidiaries;
“IFRS”	International Financial Reporting Standards;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Practicable Date”	Friday, 6 February 2015, being the last practicable date prior to the finalisation of this Circular;
“Letters of Allocation”	the renounceable (nil paid) letters of allocation issued by Putprop in electronic form conferring the right to subscribe for Rights Offer Shares pursuant to the Rights Offer;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time by the JSE;
“Merchantec Capital” or “Sponsor”	MerchantecProprietaryLimited (Registration number 2008/027362/07), a private company duly registered and incorporated under the laws of South Africa;
“Non-resident”	a person whose registered address is outside the Common Monetary Area;
“Offer Period”	the period of the Rights Offer, which opens at 09:00 on Monday, 23 February 2015 and closes on Friday, 6 March 2015;
“Putprop” or “the Company”	Putprop Limited (Registration number 1998/001085/06), a public company duly registered and incorporated under the laws of South Africa and listed on the JSE;
“Putprop Shareholders” or “Shareholders”	holders of Putprop Shares;
“Putprop Shares” or “Shares”	ordinary shares of no par value in the authorised and issued share capital of Putprop;
“Rand” or “R”	South African Rand, the official currency of South Africa;
“Record Date for the Letters of Allocation”	Friday, 6 March 2015, being the last day for Shareholders to be recorded in the Register in order for Shareholders and/or their Renounees to be entitled to subscribe for the Rights Offer Shares;
“Record Date for the Rights Offer”	close of business on Friday, 20 February 2015, being the last day for Shareholders to be recorded in the Register in order for Shareholders to be entitled to participate in the Rights Offer;
“Register”	Putprop’s securities register, including the Uncertificated Securities Register;
“Renounee”	the person in whose favour a Shareholder, who has received a Letter of Allocation, has renounced their Rights Offer Entitlement;

“Rights Offer”	the partially underwritten renounceable rights offer by Putprop to its Shareholders in terms of which Shareholders obtain the entitlement to subscribe for the Rights Offer Shares at a subscription price of 630 cents per Rights Offer Share in the ratio of 55.15 Rights Offer Shares for every 100 Shares held on the Record Date for the Rights Offer;
“Rights Offer Entitlement”	a Shareholder's entitlement to subscribe for new Shares in the ratio of 55.15 Rights Offer Shares for every 100 Shares held on the Record Date for the Rights Offer, which entitlement arises as a result of the Rights Offer;
“Rights Offer Shares”	the 15 879 318 new Shares, offered to Shareholders pursuant to the Rights Offer;
“Rights Offer Participant”	a Shareholder entitled to participate in the Rights Offer;
“SENS”	the Stock Exchange News Service;
“South Africa”	the Republic of South Africa;
“Strate”	the settlement and clearing system used by the JSE, managed by Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in accordance with the laws of South Africa and which company is a registered Central Securities Depository in terms of the Financial Markets Act;
“Subscription Price”	630 cents per Rights Offer Share, payable on subscription for the Rights Offer Shares;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“Uncertificated Securities Register”	the record of Dematerialised Shares administered and maintained by a CSDP and which forms part of the Register;
“Underwriter”	Carleo Enterprises; and
“Underwritten Shares”	the maximum number of 7 189 321 Rights Offer Shares underwritten by the Underwriter in terms of the Rights Offer



PUTPROP LIMITED

Incorporated in the Republic of South Africa
(Registration number 1998/001085/06)
Share code: PPR ISIN: ZAE000072310
("Putprop" or "the Company")

Directors

Executive

B C Carleo (Chief Executive Officer)

J E Smith (Financial Director)

A L Carleo-Novello

Non-executive

P Senatore[^]

J Van Zyl[^] (Acting Chairman)

[^]Independent

CIRCULAR TO PUTPROP SHAREHOLDERS

1. INTRODUCTION

On 6 February 2015, it was announced on SENS that Putprop intends to raise R100 039 703 from its Shareholders by way of a partially underwritten renounceable rights offer, in terms of which Putprop will offer a total of 15 879 318 Rights Offer Shares to Shareholders.

Putprop has received an irrevocable undertaking from its major Shareholder, Carleo Enterprises (who holds 54.73% of the issued share capital of Putprop), to follow its rights in terms of the Rights Offer and to subscribe for all the ordinary Shares to which it is entitled. In addition, Carleo Enterprises has agreed to underwrite a maximum of 7 189 321 Rights Offer Shares in order to ensure that 100% of the intended capital is raised.

The purpose of this Circular and Form of Instruction is to furnish Putprop Shareholders with the relevant information pertaining to the Rights Offer and the implications thereof in accordance with the Listings Requirements.

In terms of the Rights Offer, Putprop Shareholders recorded in the Register at the close of trade on Friday, 20 February 2015 will be entitled to subscribe for the Rights Offer Shares in the ratio of 55.15 Rights Offer Shares for every 100 Shares held, at a subscription price of 630 cents per Rights Offer Share. Only whole numbers of Shares will be issued and Putprop Shareholders will be entitled to a rounded number of Shares, as set out in paragraph 4 below, once the ratio has been applied.

2. PURPOSE OF THE RIGHTS OFFER

The purpose of the Rights Offer is to provide Putprop with additional capital in the amount of R100 039 703 so as to refocus Putprop's portfolio, with the aim of holding fewer, larger properties with a greater predictability in earnings as well as to facilitate a reduction in the Company's risk profile by eliminating an excessive dependence of rental income from one major tenant.

All funds raised will be utilised to purchase commercial or industrial properties with medium to long term contractual rentals at yields that fall within the parameters set by the Company's investment committee. Putprop is currently considering a shortlist of properties with blue chip, national tenants.

3. NATURE OF THE BUSINESS OF PUTPROP AND PROSPECTS

Putprop, a property investment company which has been listed on the Main Board of the JSE since 4 July 1998, owns and manages a portfolio of industrial, retail and commercial properties, deriving its income from contracted rentals.

At the financial year ended 30 June 2014, the Group's property portfolio consisted of 15 properties located primarily in the Johannesburg and Pretoria metropolitan areas of Gauteng, with a total market value of R315.2 million and a total GLA of 74 993m². The acquisition in June 2014 of Bank City, a commercial office block with a GLA of 2 339m² located in Potchefstroom in the North West Province, which asset was transferred on 10 July 2014, increased the Group's property portfolio to 16 properties with a total GLA of 77 332m².

The majority of the Group's business activities are operated in the industrial segment. Industrial properties make up 88.3% of GLA of the property portfolio, with retail and commercial properties making up 7.9% and 3.8%, respectively.

While the Group has limited exposure in the commercial segment at present, the Board has taken a strategic decision to increase its interest in this segment in the short term should suitable opportunities which will contribute to growth of the capital matrix, present themselves.

While the Board believes that, with the likelihood of continued pressure on rentals and vacant space, the next 12 months or so will continue to present challenges for the property sector as a whole, it will strive to strengthen the Group's property portfolio by diversifying into both the commercial and new geographic areas, increase earnings over the short to medium term and deliver long term growth for Putprop Shareholders.

4. PARTICULARS OF THE RIGHTS OFFER

4.1 Terms of the Rights Offer

- 4.1.1 Putprop Shareholders recorded in the Register at the close of business on Friday, 20 February 2015, are offered Rights Offer Shares at a subscription price of 630 cents per Rights Offer Share in the ratio of 55.15 Rights Offer Shares for every 100 Putprop Shares held, on the terms and conditions as set out herein and in the accompanying Form of Instruction. Only whole numbers of Shares will be issued and Putprop Shareholders will be entitled to rounded number of Shares once the ratio has been applied.
- 4.1.2 The Subscription Price represents a discount of 15% to the 30 day volume weighted average traded price of Putprop as at 3 November 2014, the date on which the Rights Offer was approved by the Board. Putprop will raise a maximum amount of R100 039 703 in terms of the Rights Offer.
- 4.1.3 The Record Date for purposes of determining which Shareholders are entitled to participate in the Rights Offer is Friday, 20 February 2015.
- 4.1.4 Upon their issue, the Rights Offer Shares will rank *pari passu* in all respects with the existing Putprop Shares.
- 4.1.5 The Letters of Allocation in respect of the Rights Offer are negotiable and will be listed on the JSE on Monday, 16 February 2015 under the JSE code PPRN and ISIN ZAE000199444. The Rights Offer Shares cannot be traded before such Shares are listed on the JSE on Monday, 2 March 2015.
- 4.1.6 The Rights Offer does not constitute an offer in any area of jurisdiction in which it is illegal to make such an offer and in such circumstances, this Circular and accompanying Letter of Allocation are distributed for information purposes only.
- 4.1.7 The enclosed Form of Instruction contains details of the rights to which holders of Certificated Shares are entitled, as well as the procedure for acceptance (and/or application for additional Rights Offer Shares) and/or sale and/or renunciation of all or part of those rights. Holders of Dematerialised Shares will be advised of the rights to which they are entitled as well as the procedure for acceptance and/or sale and/or renunciation of all or part of those rights by their CSDP or broker in terms of the Custody Agreement entered into between such Dematerialised Shareholders and their CSDP or broker.
- 4.1.8 The Subscription Price is payable in full, in Rand, by qualifying Shareholders holding Certificated Shares on acceptance of the Rights Offer. CSDPs will make payment, on a delivery versus payment basis, in respect of qualifying Shareholders holding Dematerialised Shares who have accepted the Rights Offer. Qualifying Shareholders holding Dematerialised Shares who have accepted the Rights Offer must ensure that the necessary funds are deposited with the relevant CSDP or broker, as the case may be.

4.2 Opening and closing dates of the Rights Offer

The Rights Offer will open at **09:00** on Monday, 23 February 2015 and will close at **12:00** on Friday, 6 March 2015.

4.3 Minimum subscription and irrevocable undertaking

- 4.3.1 The Rights Offer is not conditional on any minimum subscription being obtained.

- 4.3.2 Carleo Enterprises who holds 54.73% of the issued share capital of Putprop, has provided Putprop with an irrevocable undertaking to follow all of its rights in terms of the Rights Offer and to subscribe for all the ordinary Shares to which it is entitled. In terms of the irrevocable undertaking, such Shareholder has agreed to follow its Rights Offer Entitlement as set out below:

Name of Shareholder	Number of Shares held in Putprop before the Rights Offer	Number of Rights Offer Shares offered	Percentage of Rights Offer Shares (%)	Number of Shares held in Putprop after the Rights Offer
Carleo Enterprises	15 757 021	8 689 997	54.73	24 447 018
	15 757 021	8 689 997	54.73	24 447 018

4.4 Underwriting

- 4.4.1 Carleo Enterprises has agreed to underwrite a maximum of 7 189 321 Rights Offer Shares to the extent that Putprop Shareholders other than Carleo Enterprises do not follow their rights.
- 4.4.2 In terms of the underwriting agreement, there will be an underwriting fee of R350 000.
- 4.4.3 The Directors, after due and careful enquiry, confirm that the Underwriter has sufficient resources to meet its financial commitment in terms of the underwriting agreement.

4.5 Entitlement

- 4.5.1 Shareholders will have the right to subscribe for 55.15 Rights Offer Shares for every 100 Putprop Shares held on the Record Date for the Rights Offer, and to apply for additional Rights Offer Shares by way of Excess Applications.
- 4.5.2 The allocation of Rights Offer Shares will be such that Shareholders will not be allocated a fraction of a Rights Offer Share and as such, any Rights Offer Entitlement to receive a fraction of a Rights Offer Share which:
- 4.5.2.1 is less than one-half of a Rights Offer Share, will be rounded down to the nearest whole number; and
- 4.5.2.2 is equal to or greater than one-half of a Rights Offer Share, but less than a whole Rights Offer Share will be rounded up to the nearest whole number.
- 4.5.3 The entitlement of a Certificated Shareholder as reflected in the appropriate block in the Form of Instruction which accompanies and forms part of this Circular, is dependent on their deemed existing holdings at the close of business on Friday, 20 February 2015.
- 4.5.4 Shareholders are referred to the table of entitlement set out in Annexure 3 to this Circular for their entitlement to the Rights Offer Shares.
- 4.5.5 Details pertaining to excess applications for Rights Offer Shares is set out in paragraph 4.7 below.
- 4.5.6 Certificated Shareholders will have their Rights Offer Entitlement credited to an account in electronic format held at the Company's Transfer Secretaries, which will be administered by the Company's Transfer Secretaries on their behalf. The Enclosed Form of Instruction reflects the Rights Offer Shares for which the Certificated Shareholder is entitled to subscribe. The procedures that these Shareholders should follow for the acceptance, sale or renunciation of their Rights Offer Entitlements are reflected in the Form of Instruction.
- 4.5.7 Dematerialised Shareholders will have their Rights Offer Entitlements credited to their account by their CSDP or broker, in electronic form. The CSDP or broker will advise Dematerialised Shareholders of the procedure they need to follow for the acceptance, sale or renunciation of their Rights Offer Entitlement in accordance with their Custody Agreements.
- 4.5.8 The Letters of Allocation to which the Form of Instruction relates are negotiable and may be traded on the JSE.

4.6 Procedure for acceptance of the Rights Offer

Full details of the procedure for acceptance by Certificated Shareholders are contained in paragraph 3 of the accompanying Form of Instruction or in the case of Dematerialised Shareholders, as advised by their CSDP or broker.

The following should be noted:

- 4.6.1 acceptances are irrevocable and may not be withdrawn; and
- 4.6.2 Dematerialised Shareholders must contact their CSDP or broker with regard to the procedure to be followed for acceptance of their Rights Offer Entitlement, and if applicable, application for additional Rights Offer Shares by way of Excess Applications, and must act in accordance with the instructions received from their CSDP or broker.
- 4.6.3 Certificated Shareholders should note the following:
 - 4.6.3.1 acceptances by Certificated Shareholders, and if applicable, application for additional Rights Offer Shares by way of Excess Applications, may only be made by means of the accompanying Form of Instruction;
 - 4.6.3.2 any instruction to sell or renounce all or parts of the Rights Offer Entitlement must be done in accordance with the requirements set out in paragraph 4.8 below and may only be made by means of the accompanying Form of Instruction;
 - 4.6.3.3 Certificated Shareholders who wish to subscribe for only a portion of their Rights Offer Entitlement must indicate the number of Rights Offer Shares for which they wish to subscribe on the accompanying Form of Instruction;
 - 4.6.3.4 payment of the Rand value of the subscription price may be made:
 - 4.6.3.4.1 by cheque (crossed "not transferable" and with the words "or bearer" deleted) payable to "**Putprop Limited - Rights Offer**";
 - 4.6.3.4.2 by banker's draft (drawn on a registered bank) payable to "**Putprop Limited - Rights Offer**"; or
 - 4.6.3.4.3 by EFT into the Designated Bank Account (details of which is available from the corporate actions department of Computershare Investor Services, contactable during ordinary business hours on +27 (0) 86 110 0634);
 - 4.6.3.5 properly completed Forms of Instruction together with the cheque, or banker's draft or EFT swift reference number (in accordance with paragraph 4.6.3.4 above) must be received from Certificated Shareholders by the Transfer Secretaries at the address referred to in paragraph 4.9.2 by not later than **12:00** on Friday, 6 March 2015. Certificated Shareholders are advised to take into consideration postal delivery times when posting their Form of Instruction, as no postal deliveries will be accepted after **12:00** on Friday, 6 March 2015. Each cheque or banker's draft will be deposited immediately upon receipt for collection;
 - 4.6.3.6 payment referred to in paragraph 4.6.3.4 will, when the cheque or banker's draft has been paid and/or the EFT cleared into the Designated Bank Account, constitute an irrevocable acceptance of the Rights Offer upon the terms and conditions set out in this Circular and the accompanying Form of Instruction and may not be withdrawn. Should any cheque or banker's draft be subsequently dishonoured, Putprop may, in its sole discretion, and without prejudice to any rights that the Company may have, regard the Form of Instruction as null and void or take such steps in regard thereto as they deem fit; and
 - 4.6.3.7 if any Form of Instruction and cheque, banker's draft or EFT is not received as set out above, the Rights Offer Entitlement will be deemed to have been declined by the Shareholder to whom the Form of Instruction is addressed and the right to subscribe for the Rights Offer Shares offered to such Shareholder or renounced in favour of his Renouncee in terms of such Form of Instruction, will lapse, no matter who then holds it.

PLEASE NOTE THAT SHOULD YOUR CHEQUE, BANKER'S DRAFT OR EFT SWIFT REFERENCE NUMBER NOT ACCOMPANY THAT FORM OF INSTRUCTION, THE TRANSFER SECRETARIES WILL TREAT YOUR APPLICATION AS INVALID.

4.7 Excess applications for Rights Offer Shares

Qualifying Shareholders will have the right to apply for Rights Offer Shares in excess of their entitlements, on the same terms and conditions as those applicable in terms of their entitlements.

Should there be excess Rights Offer Shares available for allocation after all Rights Offer Shares have been taken up in terms of the Rights Offer, these will be allocated by the Directors who will allocate any or all excess applications in an equitable manner taking into consideration the number of Shares held by the Shareholder prior to the allocation, including those Shares taken up as a result of the Rights Offer and the number of excess Shares applied for by such Shareholder, in accordance with paragraph 5.33 of the Listings Requirements.

Non-equitable allocations of excess applications will only be allowed in instances where they are used to round holdings up to the nearest multiple of 100 Rights Offer Shares.

The right to apply for additional Rights Offer Shares is automatically transferred by and to the extent of any renunciation.

Qualifying Certificated Shareholders who wish to apply for Rights Offer Shares in addition to those allocated to them in terms of the Rights Offer, may do so by indicating the number of additional Rights Offer Shares that they wish to subscribe for in **Blocks (7) and (8)** of the Form of Instruction and by enclosing payment, in accordance with paragraph 4.9 of this Circular, for such additional Rights Offer Shares with their subscription.

Qualifying Dematerialised Shareholders who wish to apply for Rights Offer Shares in excess of their entitlements, should advise their CSDP or broker in terms of the agreement entered into between them and their CSDP or broker, as to the number of additional Rights Offer Shares for which they wish to apply and ensure that they have sufficient funds in their account.

An announcement will be published on SENS on Monday, 9 March 2015 and in the press on the following Business Day, stating the results of the Rights Offer and the basis of allocation of any excess applications.

Cheques refunding monies in respect of unsuccessful applications for additional Rights Offer Shares will be posted to the relevant applicants, at their risk, on or about Wednesday, 11 March 2015. No interest will be paid on monies received in respect of unsuccessful applications.

4.8 Sale or Renunciation of Rights Offer Entitlement

4.8.1 Dematerialised Shareholders must contact their CSDP or broker with regard to the procedure to be followed in respect of the sale or renunciation of their Rights Offer Entitlement.

4.8.2 Certificated Shareholders who wish to sell all or part of their Rights Offer Entitlement as reflected in the Form of Instruction, must complete **Form A** of the Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein, to be received by no later than **12:00** on Friday, 27 February 2015. The Transfer Secretaries will endeavour to procure the sale of the Rights Offer Entitlement on the JSE on behalf of such Certificated Shareholder and will remit the proceeds in accordance with the payment instructions reflected in the Form of Instruction, net of brokerage charges and associated expenses. Neither the Transfer Secretaries, any broker appointed by them nor Putprop will have any obligation nor will any of these parties be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained, or any failure to sell such Rights Offer Entitlement. References in this paragraph to Certificated Shareholders include references to the person or persons executing the Form of Instruction and any person or persons on whose behalf such person or persons executing the Form of Instruction is/are acting and in the event of more than one person executing the Form of Instruction, the provisions of this paragraph shall apply to them, jointly and severally.

4.8.3 Certificated Shareholders who wish to sell all or part of their Rights Offer Entitlement will be liable for the costs as set out in Form A of the Form of Instruction.

4.8.4 Certificated Shareholders who do not wish to sell all or part of their Rights Offer Entitlement as reflected in the Form of Instruction and who do not wish to subscribe for any of the Rights Offer Shares offered in terms of the Form of Instruction, but who wish to renounce their Rights Offer Entitlement, must complete Form B of the Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein to be received by no later than 12:00 on Friday, 6 March 2015.

4.9 Payment

- 4.9.1 Payment of the Rand value of the Subscription Price may be made:
- 4.9.1.1 by cheque (crossed "not transferable" and with the words "or bearer" deleted) payable to "**Putprop Limited - Rights Offer**";
 - 4.9.1.2 by banker's draft (drawn on a registered bank) payable to "**Putprop Limited - Rights Offer**"; or
 - 4.9.1.3 by EFT into the Designated Bank Account (details of which is available from the corporate actions department of Computershare Investor Services, contactable during ordinary business hours on +27 (0) 86 110 0634).

- 4.9.2 A cheque, a banker's draft or EFT swift reference number for the amounts payable in accordance with paragraph 4.9.1 above, together with a properly completed Form of Instruction, must be lodged by Certificated Shareholders with the Transfer Secretaries, as follows:

Hand deliveries to:

Putprop Limited
c/o Computershare Investor Services
Ground Floor, 70 Marshall Street
Johannesburg, 2001

Postal deliveries to:

Putprop Limited
c/o Computershare Investor Services
PO Box 61763
Marshalltown, 2107

Faxed to:

(only in the case where payment is by way of EFT)

Putprop Limited
c/o Computershare Investor Services
Proprietary Limited +27 (0)11 688 5210

Emailed to:

(only in the case where payment is by way of EFT)

corporate.events@computershare.co.za

so as to reach the Transfer Secretaries by no later than **12:00** on Friday, 6 March 2015.

Computershare Investor Services will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of faxed or emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any other facsimile or email address other than those provided above. Forms of Instruction shall be deemed to be received on the date reflected in Computershare's electronic or facsimile systems. Notwithstanding anything to the contrary, it is the responsibility of a Shareholder to ensure that his Form of Instruction is received by Computershare Investor Services.

- 4.9.3 Please note that the Transfer Secretaries will affect delivery of share certificates against payment and should a cheque, banker's draft or EFT swift reference number not accompany the Form of Instruction, the application will be treated as invalid.
- 4.9.4 No acknowledgement of receipt will be given for a cheque, banker's draft or EFT received in accordance with the Rights Offer.
- 4.9.5 "Blocked Rand" may be used by emigrants and non-residents of the Common Monetary Area for payment in terms of the Rights Offer. In this regard, reference should be made to paragraph 4.9, which deals with Exchange Control Regulations.
- 4.9.6 Dematerialised Shareholders must timeously instruct their CSDP or broker as to the action they must take to enable the CSDP or broker to act on their behalf in terms of the agreement entered into between such Dematerialised Shareholders and the CSDP or broker.

4.10 Exchange Control Regulations

- 4.10.1 The following guideline is not a comprehensive statement of Exchange Control Regulations. If Shareholders or their Renounees are in any doubt as to the action they must take, they are advised to consult their professional advisers immediately.
- 4.10.2 In terms of the Exchange Control Regulations, non-residents, excluding former residents of the Common Monetary Area, will be allowed to:
- 4.10.2.1 take up the Rights Offer Entitlement allocated to them in terms of the Rights Offer;
 - 4.10.2.2 purchase Letters of Allocation on the JSE; and
 - 4.10.2.3 subscribe for Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE,
provided payment is received either through normal banking channels from abroad or from a non-resident account.
- 4.10.3 All applications by non-residents for the above purposes must be made through an authorised dealer in foreign exchange. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to such applications will be endorsed **"non-resident"**.
- 4.10.4 Where a Rights Offer Entitlement in terms of the Rights Offer falls due to a former resident of the Common Monetary Area, which Rights Offer Entitlement is based on shares blocked in terms of the Exchange Control Regulations, emigrant blocked funds may be used to take up these Rights Offer Shares and may be used to:
- 4.10.4.1 take up the Rights Offer Entitlement allocated to them in terms of the Rights Offer;
 - 4.10.4.2 purchase Letters of Allocation on the JSE; and
 - 4.10.4.3 subscribe for Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE,
- 4.10.5 All applications by emigrants using blocked funds for the above purposes must be made through the authorised dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed **"non-resident"** and placed under the control of the authorised dealer through whom the payment was made. The proceeds due to emigrants from the sale of Letters of Allocation, if applicable, will be returned to the authorised dealer for credit to such emigrants' blocked accounts. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed **"non-resident"** and placed under the control of the authorised dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Rights Offer Shares will be credited to the blocked accounts of the emigrant concerned.
- 4.10.6 Any Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction, should obtain advice as to whether any governmental and/or any other legal consent is required and/or any other formality must be observed to enable such a subscription to be made in terms of such Form of Instruction.
- 4.10.7 A new share certificate issued pursuant to the Rights Offer to an emigrant will be endorsed **"non-resident"** and forwarded to the address of the relevant authorised dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations. Where the emigrant's Shares are in Dematerialised form with a CSDP or broker, a statement issued in terms of Strate will be despatched by the CSDP or broker to the address of that the emigrant in the records of such CSDP or broker.
- 4.10.8 The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and this Circular and Form of Instruction should not be forwarded or transmitted by you to any person in any territory other than where it is lawful to make such an offer.
- 4.10.9 The Rights Offer Shares have not been and will not be registered under the Securities Act of the United States of America. Accordingly, the Rights Offer Shares may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, United States persons, except pursuant to exemptions from the Securities Act. This Circular and the accompanying documents are not being, and must not be, mailed or otherwise distributed or sent in, into or from the United States. This Circular does not constitute an offer of any securities for sale in the United States or to United States persons.

4.10.10 The Rights Offer contained in this Circular does not constitute an offer in the District of Columbia, the United States, the Dominion of Canada, the Commonwealth of Australia, Japan or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer ("**Non-qualifying Shareholder**"). Non-qualifying Shareholders should consult their professional advisers to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Offer, or trade their entitlement. To the extent that Non-qualifying Shareholders are not entitled to participate in the Rights Offer, such Non-qualifying Shareholders should not take up their Rights Offer Entitlement or trade in their Rights Offer Entitlement and should allow their rights in terms of the Rights Offer to lapse.

4.11 South African law

All transactions arising from the provisions of this Circular and the accompanying Form of Instruction shall be governed by and be subject to the laws of South Africa.

4.12 Tax consequences

Shareholders are advised to consult their professional advisers regarding the tax implications of the Rights Offer.

4.13 Documents of Title

4.13.1 Share certificates to be issued to Certificated Shareholders pursuant to the Rights Offer will be posted to persons entitled thereto by registered post, at the risk of the Shareholders concerned, on or about Monday, 9 March 2015.

4.13.2 Certificated Shareholders receiving new Certificated Shares must note that they will not be able to trade such Shares on the JSE until these Shares have been Dematerialised, which could take between 1 (one) and 10 (ten) days, depending on the volumes being processed at the time.

4.13.3 Dematerialised Shareholders will have their accounts updated at their CSDP or broker in respect of the Rights Offer Shares to be issued to them on or about Monday, 9 March 2015.

4.13.4 CSDPs will effect payment on a "delivery versus payment method" in respect of the holders of Dematerialised Putprop Shares.

5. JSE LISTINGS

The JSE has granted listings for:

5.1 Nil paid Letters of Allocation in respect of 15 879 318 Rights Offer Shares from the commencement of trade on Monday, 16 February 2015, to the close of trade on Friday, 27 February 2015, both days inclusive; and

5.2 15 879 318 Rights Offer Shares from the commencement of trade on Monday, 2 March 2015.

6. INTENDED USE OF FUNDS

The Company will use the net proceeds of the Rights Offer to acquire immediate rental producing entities.

7. SHARE CAPITAL

7.1 Authorised and issued share capital

The authorised and issued share capital of Putprop before and after the Rights Offer is set out in the table below.

Before the Rights Offer	R'000
Authorised share capital 500 000 000 ordinary Shares of no par value	
Issued share capital 28 792 961 ordinary Shares of no par value	4 146
Total issued share capital	4 146
Note: Putprop has nil treasury shares in issue.	
After the Rights Offer*	R'000
Authorised share capital 500 000 000 ordinary Shares of no par value	
Issued share capital 44 672 279 ordinary Shares of no par value	104 185
Total issued share capital	104 185

Note: Putprop will have nil treasury shares in issue.

* Assuming all Rights Offer Shares are subscribed for in terms of the Rights Offer.

8. MAJOR SHAREHOLDERS

In the preceding five year period there has been no change in controlling Shareholder in either Putprop or any of its Subsidiaries, and there will be no controlling Shareholder in Putprop as a result of the Rights Offer.

Those shareholders (excluding directors whose interests are detailed in paragraph 9.2 below) who, as at the Last Practicable Date insofar as is known to Putprop, directly or indirectly, were beneficially interested in 5% or more of the issued share capital of Putprop are listed below:

Before the Rights Offer

Shareholder	Number of shares		(%)
	Direct shareholding	Indirect shareholding	Percentage shareholding
Carleo Enterprises	15 757 021	-	54.73
Allan Gray	-	2 932 481	10.18
Total	15 757 021	2 932 481	64.91

After the Rights Offer**

Shareholder	Number of shares		(%)
	Direct shareholding	Indirect shareholding	Percentage shareholding
Carleo Enterprises	24 447 018	-	54.73
Allan Gray	-	4 549 744	10.18
	24 447 108	4 549 744	64.91

** Assuming all Rights Offer Shares are subscribed for in terms of the Rights Offer.

9. DIRECTORS

9.1 Directors' information

The Directors, whose details are set out below, will not change as a result of the Rights Offer.

Director	Age	Capacity
Bruno Claudio Carleo	59	Chief Executive Officer
James Egerton Smith	61	Financial Director
Anna Lucia Carleo-Novello	53	Executive Director
Paolo Senatore	49	Independent Non-executive Director
Johann Van Zyl	49	Independent Non-executive Director

9.2 Directors' interests in securities

At 30 June 2014, the following Directors (and their associates), including Directors who have resigned during the last 18 months, held, directly or indirectly, approximately 11.89% of the total issued share capital of Putprop as follows:

Director	Direct	Beneficial		Total shares	Total %
		Direct	Indirect		
Executive					
B C Carleo	22 000		1 327 438	1 349 438	4.69
A L Carleo-Novello	15 000		1 000 996	1 015 996	3.53
Non-executive					
P Senatore	17 000		1 039 425	1 056 425	3.67
	54 000		3 367 859	3 421 859	11.89

Notes:

1. There has been no change in the aforementioned interests of the Directors, former Directors, or of their associates, between the financial year ended 30 June 2014 and the Last Practicable Date.
2. Of the 3 421 859 Shares held by Directors (and their associates), 100% in respect thereof, have indicated an intention to follow their rights in terms of the Rights Offer. As Putprop will be in a closed period when the Rights Offer opens, the Directors will be entitled to follow their rights but will not be entitled to trade their Letters of Allocation.

9.3 Directors' remuneration

The remuneration of the Directors will not be varied as a result of the Rights Offer as contained in this Circular.

9.4 Directors' service contracts

Each of the Executive Directors has concluded service contracts with terms and conditions that are standard for such appointments, which service contracts are available for inspection as set out in paragraph 14 below.

9.5 Directors' interest in share options

The Directors have no interests in share options.

10. OPINIONS AND RECOMMENDATION

10.1 The Directors are confident that Putprop's continued strategy of property portfolio diversification will accrue benefit in terms of risk reduction and accordingly are of the opinion that the future prospects of the business of the Company are sound.

10.2 Shareholders are recommended to consult their professional advisers regarding the action to be taken in relation to the Rights Offer.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given on page 8 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and certify that, to the best of their knowledge and belief that 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.

12. EXPERTS' CONSENTS

The Corporate Adviser and Sponsor, Legal Advisers and the Transfer Secretaries have consented in writing to act in the capacities stated and to their names being stated in this Circular and have not withdrawn their consents prior to publication of this Circular.

13. COSTS

The total estimated costs of the Rights Offer, which amount to approximately R1.72 million excluding VAT, are detailed in the table below:

Nature of cost	Paid/Payable to	Estimated amount (R)
Sponsor and Corporate Advisor fee	Merchantec Capital	1 500 000
JSE documentation fee	JSE	24 344
JSE listing fee	JSE	75 407
Transfer Secretaries, Strate and Exchange Control fees	Computershare Investor Services Services, Strate and FirstRand Bank	50 000
Other		20 249
Printing, publication and distribution	WB Corporate Communications	50 000
Total		1 720 000

14. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Putprop and the office of the Sponsor which addresses are set out in the "Corporate information" section of this Circular, during normal business hours from Monday, 16 February 2015 up to and including Friday, 6 March 2015:

- the Memorandum of Incorporation of Putprop and its Subsidiaries;
- copies of the audited annual financial results of Putprop for the three financial years ended 30 June 2014, 30 June 2013 and 30 June 2012;
- a copy of the underwriting agreement dated 28 January 2015;
- copies of the irrevocable undertakings by the Shareholders referred to in paragraph 4.3.2 above;
- copies of the written consent letters referred to in paragraph 12 above;
- this Circular and the Form of Instruction;
- powers of attorney signed by the Directors; and
- copies of the Executive Directors' service contracts referred to in paragraph 9.4 above.

SIGNED BY B C CARLEO, ON HIS OWN BEHALF AS A DIRECTOR AND ON BEHALF OF ALL THE OTHER DIRECTORS OF PUTPROP LIMITED, HE BEING DULY AUTHORISED IN TERMS OF POWERS OF ATTORNEY GRANTED TO HIM BY SUCH DIRECTORS

B C Carleo
Chief Executive Officer

16 February 2015
Johannesburg

TABLE OF ENTITLEMENT

The following table sets out the number of Rights Offer Shares to which a Shareholder is entitled.

Number of Putprop Shares held		Number of Putprop Shares held		Number of Putprop Shares held	
Entitlement	Entitlement	Entitlement	Entitlement	Entitlement	Entitlement
1	1	6 000	3 309	11 000 000	6 066 500
2	1	7 000	3 861	12 000 000	6 618 000
3	2	8 000	4 412	13 000 000	7 169 500
4	2	9 000	4 964	14 000 000	7 721 000
5	3	10 000	5 515	15 000 000	8 272 500
6	3	20 000	11 030	16 000 000	8 824 000
7	4	30 000	16 545	17 000 000	9 375 500
8	4	40 000	22 060	18 000 000	9 927 000
9	5	50 000	27 575	19 000 000	10 478 500
10	6	60 000	33 090	20 000 000	11 030 000
20	11	70 000	38 605	21 000 000	11 581 500
30	17	80 000	44 120	22 000 000	12 133 000
40	22	90 000	49 635	23 000 000	12 684 500
50	28	100 000	55 150	24 000 000	13 236 000
60	33	200 000	110 300	25 000 000	13 787 500
70	39	300 000	165 450	26 000 000	14 339 000
80	44	400 000	220 600	27 000 000	14 890 500
90	50	500 000	275 750	28 000 000	15 442 000
100	55	600 000	330 900	29 000 000	15 993 500
200	110	700 000	386 050	30 000 000	16 545 000
300	165	800 000	441 200	31 000 000	17 096 500
400	221	900 000	496 350	32 000 000	17 648 000
500	276	1 000 000	551 500	33 000 000	18 199 500
600	331	2 000 000	1 103 000	34 000 000	18 751 000
700	386	3 000 000	1 654 500	35 000 000	19 302 500
800	441	4 000 000	2 206 000	36 000 000	19 854 000
900	496	5 000 000	2 757 500	37 000 000	20 405 500
1 000	552	6 000 000	3 309 000	38 000 000	20 957 000
2 000	1 103	7 000 000	3 860 500	39 000 000	21 508 500
3 000	1 655	8 000 000	4 412 000	40 000 000	22 060 000
4 000	2 206	9 000 000	4 963 500	50 000 000	27 575 000
5 000	2 758	10 000 000	5 515 000	60 000 000	33 090 000

SHARE TRADING HISTORY OF PUTPROP

The highest, lowest and closing price of shares of Putprop on the JSE for each month commencing from 1 January 2014 to 31 December 2014 and aggregated monthly volume is as follows:

Month ended	High (cents)	Low (cents)	Close (cents)	Volume
31 January 2014	664	615	664	66 651
28 February 2014	664	615	650	35 344
31 March 2014	750	601	730	73 796
30 April 2014	750	680	750	353 012
31 May 2014	800	725	750	115 047
30 June 2014	775	723	735	201 810
31 July 2014	775	735	755	32 582
31 August 2014	900	735	735	637 005
30 September 2014	750	735	750	23 280
31 October 2014	750	750	750	11 000
30 November 2014	790	700	790	133 163
31 December 2014	790	702	702	9 500

The highest, lowest and closing price of shares of Putprop on the JSE, for the last 30 trading days, for each day commencing from 24 December 2014 to 6 February 2015 (being the Last Practicable Date prior to the finalisation of this Circular) and the daily volume are as follows:

Day ended	High (cents)	Low (cents)	Close (cents)	Volume
24 December 2014	702	702	702	-
29 December 2014	702	702	702	-
30 December 2014	702	702	702	-
31 December 2014	702	702	702	-
2 January 2015	702	702	702	-
5 January 2015	715	715	715	100
6 January 2015	715	715	715	-
7 January 2015	789	789	789	638
8 January 2015	789	789	789	630
9 January 2015	789	789	789	-
12 January 2015	789	789	789	-
13 January 2015	789	789	789	-
14 January 2015	789	789	789	-
15 January 2015	789	789	789	-
16 January 2015	780	780	780	800
19 January 2015	745	745	745	10 000
20 January 2015	745	745	745	-
21 January 2015	745	745	745	4 700
22 January 2015	745	745	745	3 905
23 January 2015	789	717	785	10 905
26 January 2015	785	785	785	2 080
27 January 2015	784	784	784	2 788
28 January 2015	784	782	784	2 073
29 January 2015	760	715	715	28 525
30 January 2015	715	-	715	-
2 February 2015	715	-	715	-
3 February 2015	725	715	720	10 902
4 February 2015	695	695	695	1 100
5 February 2015	695	695	695	-
6 February 2015	715	695	715	7 800

Source: JSE

INFORMATION ON THE UNDERWRITER

The proposed Rights Offer has been partially underwritten by the Underwriter. Details pertaining to the Underwriter as required by the Listings Requirements are set out below:

1. **NATURE OF BUSINESS**
Carleo Enterprises is an investment holding company.
2. **DIRECTORS**
F G Pisapia
A G Senatore
L A Carleo
B C Carleo
P Senatore
A C Carleo-Novello
A Carleo
3. **COMPANY SECRETARY**
B C Carleo
4. **DATE AND PLACE OF INCORPORATION**
18 December 1970, South Africa
5. **REGISTRATION NUMBER**
1970/016511/07
6. **REGISTERED OFFICE**
91 Protea Road
Chislehurst
Sandton, Gauteng
2196
7. **AUDITORS**
Carrim Maritz & Associates (Gauteng) Inc
8. **BANKERS**
Nedbank Limited
9. **AUTHORISED SHARE CAPITAL**
1 500 000 shares of R1.00 each
10. **ISSUED SHARE CAPITAL**
1 500 000 shares of R1.00 each

PUTPROP CATEGORY 2 SENS ANNOUNCEMENT OF 16 OCTOBER 2014



PUTPROP LIMITED

Incorporated in the Republic of South Africa
 (Registration Number 1988/001085/06)
 Share code: PPR ISIN: ZAE000072310
 ("Putprop" or "the Company")

Acquisition of 51% stake in secunda property development and withdrawal of cautionary

1. INTRODUCTION AND RATIONALE

The board of directors of Putprop ("the Board") is pleased to inform shareholders that Putprop has entered into a subscription agreement dated 16 October 2014 ("the Agreement") with Neo Trend Khala-Cose Proprietary Limited ("Neo Trend") for the subscription of 510 shares of no par value at R510, which will result in a 51% stake in Neo Trend ("the Acquisition"). Neo Trend has been set up as a special purpose vehicle to hold and develop land situated in the township of Secunda, Registration Division I.S., Mpumalanga Province. Neo Trend has entered into a development agreement for the purposes of developing the land into a retail site to be known as Secunda Value Centre.

The Acquisition complies with the Company's stated objective of strategic investments focussed on industrial and commercial opportunities, where yields are enhancing in the medium and long term as well as broadening of the current tenant base to reduce the risk of over dependence on a limited number of tenants.

2. THE ACQUISITION

2.1 Details of Neo Trend

Neo Trend is a special purpose vehicle which has been set up to own and develop land situated on Proposed Township Erf 3 Secunda extension 60, situated on Portion 1 of the Farm The Walker no 817, Registration Division I.S., Mpumalanga Province (in extent 71 192 square metres). Neo Trend is in the process of acquiring the land and is awaiting transfer thereof. Neo Trend has entered into a development agreement with Neo Trend Property Developers Proprietary Limited ("the Developer") to develop phase 1 of the Secunda Value Centre project, being Erf 8839 Extension 60 Secunda (in extent of 32 722 square metres) which will have Builders Warehouse and Burger King as anchor tenants.

Putprop will benefit from revenues generated from the rentals of the retail portions of Secunda Value Centre. It is estimated that the retail portion will comprise of a Gross lettable area of 7 776 square metres. The weighted average rental per square metre has been estimated at R122.24.

2.2 Purchase consideration

The total purchase consideration of R17 043 218 (R17 042 708 on loan account and R510 for purchase of 510 shares), will be settled entirely in internally generated cash.

2.3 Warranties

The Sellers have provided warranties which are normal in a transaction of this nature.

2.4 Effective date

The effective date of the Acquisition is 16 October 2014.

2.5 Conditions Precedent

All conditions precedent, which the Acquisition is subject to, have been fulfilled.

3. UNDERLYING FINANCIAL INFORMATION OF NEO TREND

Due to the fact that the Secunda Value Centre project is still to commence and that Neo Trend has no other revenue generating assets, Neo Trend currently does not have any profits attributable to it.

The value of Neo Trend's sole asset (the land which the company owns and which is still subject to transfer) was valued at R3 078 850 on 29 August 2014.

4. CLASSIFICATION OF THE ACQUISITION

The Acquisition is classified as a Category 2 transaction in terms of the Listings Requirements of the JSE Limited.

5. WITHDRAWAL OF CAUTIONARY

Further to the cautionary announcement released on SENS on 15 September 2014, shareholders are advised that further to this announcement regarding the Acquisition, Shareholders no longer need to exercise caution when dealing in the Company's securities.

Johannesburg
 16 October 2014

Sponsor
 Merchantec Capital