NOTICE BY

BOTSWANA TELECOMMUNICATIONS CORPORATION LIMITED

(“the Company or BTCL”) 

Shareholders are advised that:

1. Paragraph 25 of the Prospectus dated 21 December 2015 (the “Prospectus”) stated that:

   “An Employee Share Trust has been established which will hold 52 500 000 shares as on the day of listing of the Company on the Botswana Stock Exchange (being 5% of the shares in issue), for the benefit of the Citizen employees.

   The Employee Share Trust will be managed by trustees appointed by the Company (the “Trustees”). The Trustees will be guided by the terms of the trust deed (“the Trust Deed”) which will provide, amongst others, that the Employee Share Trust is not permitted to dispose of the 5% shares.

   Dividends declared by the Company on the 52 500 000 shares will be payable into the Employee Share Trust. Such dividends will in turn, be distributed to the Citizen employees by the Trustees in terms of the Trust Deed.”

2. The above statement in paragraph 25 of the Prospectus when made was true.

3. Subsequently the Government of the Republic of Botswana ("Government") issued Directive No: CAB 10 (A) 2016 (the “Presidential Directive”), which determined that the shares would go directly to the employee shareholders via an Employee Share Ownership Plan (“ESOP”) as opposed to being held in the Employee Share Trust. Accordingly, the Trust Deed relating to the Trust is in the process of amendment by
the Trustees in accordance with its terms to permit the transfer of shares directly to the employee shareholders (the “Trust Amendment”) and 19 269 200 shares (the “Initial Employee Shares”) have been allocated to the employees who applied for them from the 52,500,000 pool of shares reserved for employees (the “5% Pool”), it being confirmed that the 5% Pool, does not form part of the 462,000,000 shares comprising the Public Offer (as defined in the Prospectus).

4. The Initial Employee Shares and any other shares to be issued to employees from the 5% Pool will be subject to the terms of the ESOP and applicable scheme rules, which are yet to be finalised (collectively, the “ESOP Terms”). The ESOP Terms will be subject to the approval of (i) the Botswana Stock Exchange and (ii) by way of ordinary resolution, the shareholders of BTCL in general meeting (the “ESOP Terms Approval”).

5. In light of the Presidential Directive, and consequent upon the Trust Amendment, the provisions of paragraph 25 of the Prospectus (and any other terms in the Prospectus relating to the Trust) are redundant and inapplicable.

6. Since the Trust Deed is a contract referred to in the Prospectus, and the Trust Deed is to be amended to give effect to the Trust Amendment, section 312 of the Companies Act requires ratification, by way of ordinary resolution, of the Trust Amendment in general meeting of the shareholders of BTCL (the “Ratification of the Amendment of the Trust Deed”).

7. The ESOP Terms Approval and the Ratification of the Amendment of the Trust Deed shall form part of the resolutions to be passed at the next general meeting of the Company and, in due course, a circular containing full details of the ESOP Terms shall be issued to all shareholders.

BY ORDER OF THE BOARD
8 JULY 2016