FIRST NATIONAL BANK OF BOTSWANA LIMITED  
(Incorporated in the Republic of Botswana with limited liability under Registration Number 1119)

BWP1,000,000,000 NOTE PROGRAMME  
PRESS ANNOUNCEMENT IN RESPECT OF THE EARLY REDEMPTION OF FNBB 002  
AND FNB 003 SUBORDINATED UNSECURED NOTES

First National Bank of Botswana Limited (the “Issuer”) gives notice to exercise its option for the early redemption of the FNBB 002 and FNBB 003 Subordinated Unsecured Notes, having an aggregate nominal amount of BWP 154.48 million and BWP 25 million respectively maturing on 1 December 2021 (“the Notes”). The early redemption will occur on 1 December 2016, as per the provisions contained in the Programme Memorandum issued in respect of the Notes, dated 1 December 2011 (the “Programme Memorandum”).

The Issuer hereby notifies the holders of the Notes of the early redemption, within the specified timeframe set by the Programme Memorandum, of not less than 15 nor more than 30 days prior to 1 December 2016. The Bank of Botswana consented to the early redemption of the Notes on 26 September 2016 and the Botswana Stock Exchange was notified of the early redemption of the Notes on 21 October 2016.

Holders of the Notes are advised that payment in respect of the redemption of the Notes shall be made by the Issuer against surrender of the certificate(s) in respect of such Notes. Where Notes are represented by a certificate, holders of the Notes are accordingly advised to submit their certificates in respect of such Notes to the Transfer Secretaries at least 7 days prior to the redemption date (i.e. by no later than 1700hrs on Thursday 24 November 2016). All Notes which are redeemed shall forthwith be cancelled and cannot be re-issued nor re-sold.

In respect of interest which may be paid with redemption, the Issuer, in terms of Section 58, as read with the Seventh Schedule to the Income Tax Act Cap 52:01 of the Laws of Botswana, as amended, is obliged to withhold 15% on all interest payments to non-resident Noteholders. [This is subject to any double-taxation agreement that may be in place between Botswana and the jurisdiction in which the non-resident Noteholder is domicilied, which taxation agreement may allow for a different rate] and 10% on all interest payments to resident Noteholders, save for those resident Noteholders which are exempt from taxation.

This press announcement is published in compliance with the Programme Memorandum dated 1 December 2011 as supplemented by the Supplementary Programme Memorandum dated 15 July 2015 and has been approved by the Botswana Stock Exchange.