INTRODUCTION

Shareholders are advised that FWA have submitted a letter to the board of directors of Imara ("Board" or "Imara Board"), constituting a firm intention by FWA to make an offer as contemplated in Chapter 5 of the South African Companies Act 71 of 2008 ("Companies Act") and Regulation 101 of the Companies Regulations, 2011 ("Takeover Regulations") ("Firm Intention"). The Botswana Stock Exchange ("BSE") has confirmed that the provisions of the Companies Act and the Takeover Regulations which applies to firm intentions to make an offer, are of application to the Firm Intention. An independent board of Imara has been constituted ("Independent Board") to consider the terms of the offer by FWA to acquire all the Imara ordinary shares ("Imara Shares") which are not currently held by FWA. A total of 59,494,301 Imara Shares are currently in issue, of which 17,234,046 Imara Shares are held by FWA, representing approximately 28.97% of the issued share capital of Imara. The Offer by FWA is therefore to acquire the 42,260,255 Imara Shares which are currently not held by them.

The purpose of this announcement is to advise Imara shareholders of the terms and conditions of the Offer, in compliance with Regulation 101 of Chapter 5 of the Takeover Regulations.

OFFER AND MECHANICS

The Offer will be made directly to Imara’s shareholders (the "Imara Shareholders"), by FWA and independently of the Independent Board. The Offer is therefore not a combined Offer.
The Offer is subject to conditions as set out in this FIA, such that FWA will acquire a maximum of 100% of the Imara Shares in issue and a minimum of 50.1% of the Imara Shares in issue. Each Imara Shareholder will, on the date on which the acceptance of the Offer becomes operative and with effect from such date, receive a cash consideration of P2.10 per Imara Share (“the Offer Consideration”).

FWA have confirmed that –

1. If, following the implementation of the Offer, FWA owns more than 80% of the Imara Shares in issue, then it is the intention to approach the BSE to delist Imara on the basis that the requisite shareholder spread is no longer extant. If, however, FWA has not acquired 100% of the Imara Shares in issue following implementation of the Offer, FWA will, in consultation with the BSE, ensure the compliance of Imara with the BSE Listings Requirements. However, FWA is of the view that a delisting in due course is in the best interests of Imara.

2. If the Offer is accepted by Imara Shareholders holding such number of Imara Shares as will result in FWA (together with its existing beneficial shareholding) beneficially holding (directly or indirectly) not less than 90% of the entire issued share capital of Imara, then FWA reserves the right to implement a compulsory acquisition of the remaining Shares in accordance with section 323 of the Botswana Companies Act.

3. The Offer Consideration is based on the assumption that 59,494,301 Imara Shares are in issue and that the Offer is in respect of the 42,260,255 Imara Shares which are currently not held by FWA.

4. Based on the Offer Consideration, the aggregate value of the consideration payable by FWA to Imara Shareholders is P88,746,536 at P2.10 per Imara Share (prior to any adjustments as specified below), if all Imara Shareholders accept the Offer in respect of all of their Imara Shares.

5. Holders of share options will be entitled to receive the intrinsic cash value of their options based on the Offer Consideration per Imara Share.

6. The Offer Consideration will be decreased on a per share basis by an amount equal to the aggregate of any dividend declared and paid or distribution made after 17 October 2016, and before the settlement of the Offer Consideration.

7. To the extent that the adjustment of the Offer Consideration would result in any Imara Shareholder that has accepted the Offer becoming entitled to an aggregate Offer Consideration that includes a fraction of a thebe, such aggregate Offer Consideration owing to that Imara Shareholder will be rounded up or down to the nearest whole thebe.
3 POSTING OF THE OFFEROR AND OFFEREE CIRCULARS

The circular to be posted by FWA (the Offeror Circular) must be posted within –

3.1 20 business days after the date of publication of a firm intention announcement; or

3.2 such longer period allowed by the relevant regulator, on good cause shown.

The Independent Board is required to issue a Response Circular, to be posted within 20 business days after the date of posting of the Offeror Circular.

4 CONDITIONS TO IMPLEMENTATION OF THE OFFER

The Offer will be subject to the fulfilment or waiver, as the case may be, of the following suspensive conditions:

4.1 receipt of approvals, consents or waivers from all regulatory bodies, governmental or quasi-governmental entities necessary to implement the Offer (in each case either unconditionally or subject to conditions reasonably acceptable to the persons on whom such conditions are imposed) including, but not limited to, the relevant Competition Authorities;

4.2 the unanimous recommendation of the Independent Board to the Offer;

4.3 no change in the senior management of Imara until such time as the Offer is either declared unconditional or lapses;

4.4 receipt of an undertaking from the Board that Imara –

4.4.1 will not make, or commit, to any asset or business disposals, acquisitions or investments in aggregate in excess of P100,000;

4.4.2 will not encumber any assets;

4.4.3 will not make any dividend declarations;

4.4.4 will not issue any new shares or options to acquire shares; and

4.4.5 will not raise any additional debt;

4.5 confirmation in writing from the Board that, as of the date the Offer is declared unconditional, the cash holdings of Imara are not less than P60,000,000;
4.6 confirmation in writing that the distributable reserves of Imara are not less than P39,000,000 at the date of the Offer;

4.7 the receipt of valid acceptances in respect of not less than 12,572,599 Imara Shares or such number of Imara’s shares that when aggregated with FWA’s current shareholding results in FWA owning no less than 50.1% in nominal value of Imara’s Shares;

4.8 by the date on which each of the above Conditions referred to in this paragraph 4 have been fulfilled or waived (as the case may be), there not having occurred an adverse effect, fact, circumstance, or any potential adverse effect, fact or circumstance, which has arisen or occurred, or might reasonably be expected to arise or occur, and which is or might reasonably be expected (alone or together with any other such actual or potential adverse effect, fact or circumstance) to be material with regard to the operations, continued existence, business, condition, assets and liabilities of the Imara Group (whether or not as a consequence of the Offer) and/or any restrictive undertaking or undertakings or similar provision entered into by Imara or any of its subsidiaries, which may materially reduce the operating performance of Imara.

The Conditions in paragraphs 4.2, 4.3, 4.4, 4.5, 4.6, 4.7 and 4.8 above are stipulated for the benefit of FWA, which will be entitled (in consultation with Standard Chartered Bank (Mauritius) Limited (“SCBM”)), in writing only, to waive those Conditions or extend the date by which any one or more of them is to be fulfilled. The remaining Condition, that is the Condition in paragraph 4.1 above, is of a regulatory nature and cannot be waived by the parties.

5 SHAREHOLDINGS, ACTING AS PRINCIPAL AND CONCERT PARTIES

FWA is the beneficial owner of 17,234,046 Imara Shares, representing approximately 28.97% of the issued share capital of Imara.

FWA has confirmed that it is the ultimate proposed purchaser of all the Offer Shares and is not acting in concert with, or as an agent or broker for, any other party.

6 DETAILS OF FWA AND FUNDING OF THE OFFER CONSIDERATION

FWA is a financial holding company registered in Mauritius. The Directors of FWA are Shammeemkhan Abdoolakhan, Sameer Ally Aumeerbocus, Hector Adam Fleming, Thomas Benedict Gaffney and Harry Joshua Wulfsohn. The shareholders of FWA are trusts related to Hector Fleming and Harry Wulfsohn, Term Oil Inc., a limited liability company owned by
Mr Richard Rule and FWA UK1 Limited, a limited liability company owned by Mrs Mary Gaffney, being the wife of Thomas Gaffney. Messrs Hector Adam Fleming, Thomas Benedict Gaffney and Harry Joshua Wulfsohn are members of the Board

The maximum Offer Consideration will be P88,746,536. FWA has confirmed to Imara that:

1. FWA has entered into a loan facility agreement with Standard Chartered Bank under which the Listing Committee of the BSE will be provided with an irrevocable and unconditional guarantee (“the Guarantee”) from Standard Chartered Bank Botswana Limited, (“Standard Bank”) issued for the benefit of each of the shareholders that accept the Offer (as set out in the offer circular which will be distributed to Imara Shareholders by FWA together with the Guarantee), in whose favour the Guarantee constitutes a *stipulatio alteri*, the benefit of which may be accepted by those shareholders at any time and in any manner, prior to the expiry of the Guarantee in terms of paragraph 2 below.

2. The Guarantee will be issued in compliance with the Listing Requirements of the Botswana Stock Exchange and shall remain extant and for the benefit of the shareholders which accept the Offer for the time period recorded in the said Offeror Circular.

3. FWA will be funding the Offer Consideration from its own cash resources and the loan facility provided by Standard Bank.

7 INDEPENDENT EXPERT OPINION

The Board has formed the Independent Board, currently comprising Messrs GZ Steffens and TJ Matsau who are the only two Independent Board members. In terms of the Takeover Regulations the Independent Board needs to consist of at least three members. The current composition of the Independent Board does not therefore comply with this requirement.

The Board have identified and nominated a third director to join the Independent Board. The appointment of a new board member is however subject to the prior approval of Imara’s primary regulator, the Non-Bank Financial Institutions Regulatory Authority (“NBFIRA”) of Botswana. The appointment process can take several weeks and Imara has engaged with NBFIRA on this matter and has commenced with the director approval process.
The Board is aware of the conflict between the provisions of the Takeover Regulations, which require that this FIA is made when an offeror has communicated a firm intention to make an offer and is ready, able and willing to proceed with the offer, and the requirement to be compliant with regulation regarding the composition of the Independent Board. Notwithstanding this, the Board has determined that it is in the best interests of Imara Shareholders to proceed with the FIA, pending the formal appointment of the third Independent Board member. In the interim, the Board intends to address the compliance issue by co-opting the nominee director onto the Independent Board.

As required in section 110 of the Takeover Regulations, the Independent Board has appointed KPMG as the Independent Expert to issue a report on the matters set out in section 114(3) of the Companies Act and to express an opinion on the fairness and reasonableness of the Offer to Imara Shareholders.

The contents of the Independent Expert’s advice and opinion and the final views of the Independent Board will be detailed in the Response Circular to be posted by Imara.

8 **SALIENT DATES**

The salient dates pertaining to the Offer will be released on the BSE – X News website, the Imara website and published in the Botswana press prior to the distribution of the Offeree and Response Circulars.

9 **RESPONSIBILITY STATEMENT**

The Independent Board accepts responsibility for the information contained in this FIA to the extent that it relates to Imara. To the best of its knowledge and belief, such information contained in this FIA is true and nothing has been omitted which is likely to affect the importance of such information.
WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the Cautionary Announcement initially released by Imara on 27 May 2016 and subsequent renewals of the announcement, the latest of which was on 27 September 2016, which cautionary is now withdrawn. Accordingly, caution is no longer required to be exercised by shareholders when dealing in the securities of Imara.

Gaborone
19 October 2016

Sponsor to Imara
IMARA
Capital Securities

Independent Expert
KPMG

Legal Adviser to Imara
CHRIS BOULLE INC