PRESS ANNOUNCEMENT

THE FAR PROPERTY COMPANY LIMITED
(“the Company or “FPC”)
Company Number CO. 2010/6009
Incorporated in the Republic of Botswana on 29 June 2010
ISIN: BW0000001551
SHARE CODE: FPC

SECOND NOTICE OF SCRIP DISTRIBUTION OPTION

Unitholders are advised of an offer of units to unitholders holding linked units registered in the records of the Company on the electronic platform of Central Securities Depository of Botswana (“CSDB”) at the close of business on 31 August 2018 (“the Record Date”) at a price of P2.50t per linked unit (“Scrip Distribution Option”) in lieu of the cash distribution of 12.27 thebe per linked unit in respect of the Company’s trading to 30 June 2018.

The Board of Directors offers unitholders the chance to receive up to 50% (one half) of the distribution in respect of linked units for the period ending 30 June 2018 in new linked units instead of in cash.

The Board has declared a distribution of 12.27 thebe (comprising a dividend of 0.11 thebe on each issued share and interest of 12.16 thebe on each issued debenture comprising a linked unit) per linked unit for the twelve months of trading ending 30 June 2018 (“the Distribution”) and approved the issue of up to 9038385 new linked units, to be funded out of distributable profits, to unitholders, who hold linked units in the Company as at 31 August 2018, who elect to receive up to 50% (or one half) of the distribution in units instead of cash.

The Company will deduct and pay withholding tax of 7.5% on the dividend on shares comprising linked units payable to holders of linked units which are resident and non resident and 10% on the interest payable on each debenture held by a holder of a linked unit resident for tax purposes in Botswana, and 15% on the interest payable on each debenture held by holder of a linked unit non resident for tax purposes in Botswana (or such lesser percentage as may be provided in a Double Taxation Agreement (if there be one) between Botswana and the country of tax residence of the non resident tax payer) but shall not deduct and pay any withholding tax on interest payable on debentures held by an entity which is exempt from income tax in Botswana. The resulting distribution, after deduction of withholding tax as set out above, is hereinafter referred to as “the Net Distribution”.

Unitholders registered as such on the Record Date are offered such number of linked units, at a value of P2.50t per linked unit, equal to the cash value of 50% of the Net Distribution payable to such holders. The value of a linked unit is based on the weighted average traded price of the linked units, on the Botswana Stock Exchange, over the three weeks preceding 30 June 2018.

The Scrip Distribution Units, when issued, will rank pari passu in all respects with the existing linked units of the Company.

The Company will benefit from this issue. In opting for the issue of linked units in lieu of a cash distribution, unitholders will inject further capital into the Company without incurring the usual substantial dealing costs associated with a new rights issue, and the Company will be able to utilise the amount of the
unitholders’ funds retained in the Company to support continued growth of the current and future projects and refurbish properties, and reduce exposure to loan finance.

Holders of 98.16% of the issued linked units in the Company have committed to elect to receive the Scrip Distribution.

Based on an assumption that all unitholders elect to take up the Scrip Distribution and that tax is withheld on all dividends at a rate of 7.5% and on all interest payments at a rate of 10%, 9038385 linked units will be issued, representing a ratio of approximately 0.23 new units for every one of the 399 384 638 units in issue, with 408423023 linked units in issue after distribution of the Scrip in lieu of the cash distribution.

A circular explaining the Scrip Distribution Option and the Form of Election will be sent to unitholders on or about 3 September 2018.

UNITHOLDERS WHO WISH TO RECEIVE THE CASH DISTRIBUTION NEED TAKE NO FURTHER ACTION

OPENING OF THE OFFER AND THE LAST DAY TO MAKE THE ELECTION:

The offer of the scrip option opens at the commencement of business on 3 September 2018 and closes at close of business on 28 September 2018.

A holder of linked units is required to notify the Transfer Agent if he/she/it wishes to receive their distribution in the form of new linked units, within the period in which the offer is open. In the event of failure to elect the Scrip Distribution Option, within the open period, a holder of linked units shall be deemed by the Company to have declined the offer of the Scrip Distribution Option and, accordingly, such unitholder will automatically receive the cash distribution.

ELECTIONS FOR SCRIP DISTRIBUTION RECEIVED AFTER THE CLOSE OF BUSINESS ON 28 SEPTEMBER 2018, SENT BY POST OR OTHERWISE, WILL NOT BE ACCEPTED

CSDB AND LISTING OF THE SCRIP DISTRIBUTION UNITS

When the new linked units are issued, the Company will instruct the CSDB or broker to credit the unitholders securities account in the CSDB.

Application has been made to Botswana Stock Exchange to grant a listing of the Scrip Distribution units arising from the Scrip Distribution issue with effect from the commencement of business on 8 October 2018.

SALIENT DATES

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Publication of first press announcement</td>
<td>Friday 17 August</td>
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<tr>
<td>Publication of second press announcement</td>
<td>Monday 27 August</td>
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<tr>
<td>Record date for participation in scrip distribution</td>
<td>Friday 31 August</td>
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<tr>
<td>Circular distributed on or before</td>
<td>Monday 3 September</td>
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<tr>
<td>Opening of the offer</td>
<td>Monday 3 September</td>
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<td>Last day of Election</td>
<td>Friday 28 September</td>
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<td>Announcement of results of elections</td>
<td>Monday 1 October</td>
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<tr>
<td>Securities allotted</td>
<td>Wednesday 3 October</td>
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<tr>
<td>Payment of cash distribution on or before</td>
<td>Friday 5 October</td>
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<tr>
<td>Payment of balances as a result of rounding down on or before</td>
<td>Friday 5 October</td>
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<td>Linked Units credited on CSDB accounts</td>
<td>Friday 5 October</td>
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<tr>
<td>Listing of New Linked Units</td>
<td>Monday 8 October</td>
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These dates are subject to change. Any change will be notified on Xnews and in the Press.
By order of the Board

Dated 24 August 2018

Company Secretary

Sponsoring Broker

Legal Advisor

Collins Newman & Co.