The Botswana Stock Exchange
Serala OTC Board
Conditions for Registration

Issued by The Secretary:

Botswana Stock Exchange
Office Block 6, Plot 64511, Fairgrounds,
Private Bag 00417
GABORONE
Botswana
Tel: +267 3674400
Fax: +267 3180175
30 November 2014
1. For a Company to register its securities on the Serala OTC Board, it must;
   (a) Be a Public Interest Entities (PIE) as defined by section 22 of the Financial Reporting Act No.11 of 2010 and the regulations of the Botswana Accountancy Oversight Authority (BAOA),
   (b) Fully dematerialize the securities to be registered,
   (c) Sign a Registration Agreement with the BSE.

2. Companies can only be registered on this board by introduction.

3. Companies which register equity and equity related securities on the Serala OTC Board shall only be allowed to remain on the board for a maximum of 5 years. The BSE shall review the continued trading of the securities on this board and may require that the registered company should apply for listing at the end of the 5 year period.

4. Unless otherwise permitted by the BSE, companies which delisted from the BSE within the immediate past 10 years cannot register on the Serala OTC Board.

Method of Application

5. A company wishing to be registered on this board must submit, through a Sponsoring Broker, an application letter to the BSE accompanied by an information Memorandum which shall contain the following information about the company at a minimum;
   (a) Details of registration with the Registrar of Companies,
   (b) Postal and Registered addresses,
   (c) Latest Annual Financial Statements

Trading Rules for OTC registered securities

6. Trading on the Serala OTC Board shall be in accordance with the BSE ATS Trading Rules for Equity Securities.

Fees

7. The Following fees shall be applicable for the Serala OTC Board Registered Companies;

<table>
<thead>
<tr>
<th>Description</th>
<th>BSE</th>
<th>CSDB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration fee</td>
<td>BWP 10,000.00</td>
<td></td>
</tr>
<tr>
<td>CSDB Company fee</td>
<td></td>
<td>BWP 10,000.00</td>
</tr>
<tr>
<td>Reports fee</td>
<td></td>
<td>BWP 6,000.00</td>
</tr>
<tr>
<td></td>
<td><strong>BWP 10,000.00</strong></td>
<td><strong>BWP 16,000.00</strong></td>
</tr>
</tbody>
</table>

**Total Annual Cost to Company**

BWP 26,000.00

*NB. Fees payable annually in advance in January*
Transaction fees for all classes of securities shall be the same as for the listed securities of the same class.

**Continuing Obligations**

8. Companies registered on the Serala OTC Board must;
   (a) Publish their Annual Financial Statements on X-News within 3 months of their year end,
   (b) Publish dividends and interest declaration details including the declaration, ex dividend and payment dates.

**Sanctions**

9. If a registered Company fails to adhere to the continuing obligations, the trading of its securities shall be immediately halted. The BSE may take a decision to deregister a Company at its own discretion and/or report the Company to the BAOA.