

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 8 of this circular have, where appropriate, been used on this cover page.

If you are in any doubt as to the action you should take, please consult your broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

Action required

If you have disposed of all of your shares, then this circular, together with the attached forms of proxy and form of surrender, should be handed to the purchaser of such shares or to the broker, CSDP, banker or other agent through whom the disposal was effected.

Beneficial shareholders who hold dematerialised shares through a CSDP or broker and who have not elected own name registration who wish to attend the general meetings must request their CSDP or broker to provide them with the necessary letter of representation to attend the general meetings or must instruct their CSDP or broker to vote on their behalf in terms of their respective agreements with their CSDP or broker.

Shareholders are referred to page 2 of this circular, which sets out the detailed action required of them in respect of the transactions set out in this circular.

Arrowhead does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of any holder of dematerialised shares to notify such shareholder of the action required of them in respect of the transactions set out in this circular.



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

CIRCULAR TO ARROWHEAD SHAREHOLDERS

relating to:

- the restructure of the company's dual-class share capital structure to a single-class share capital structure by way of:
 - (i) an amendment of the company's existing memorandum of incorporation in order to effect the conversion of each "B" ordinary share into an "A" ordinary share;
 - (ii) the reclassification of the "A" ordinary shares as ordinary shares; and
 - (iii) the adoption of a new memorandum of incorporation to take account of the change in the company's capital structure and to reflect the terms applicable to the ordinary shares,

and enclosing:

- a notice of general meeting of Arrowhead shareholders;
- a notice of general meeting of Arrowhead "A" shareholders;
- a notice of general meeting of Arrowhead "B" shareholders;
- a form of proxy to vote at the general meeting of Arrowhead shareholders, for use by certificated shareholders and dematerialised shareholders who have elected own name registration only (*pink*);
- a form of proxy to vote at the general meeting of Arrowhead "A" shareholders, for use by certificated "A" shareholders and dematerialised "A" shareholders who have elected own name registration only (*blue*);
- a form of proxy to vote at the general meeting of Arrowhead "B" shareholders, for use by certificated "B" shareholders and dematerialised "B" shareholders who have elected own name registration only (*purple*); and
- a form of surrender, for use by certificated shareholders only (*yellow*).

Corporate advisor, tax advisor and sponsor

JAVACAPITAL

Legal advisor

CDH
CLIFFE DEKKER HOFMEYR

Date of issue: Friday, 18 December 2015

This circular is available in English only. Copies of this circular may be obtained from the registered office of the company, at the addresses set out in the Corporate Information section, between 08:00 and 16:30 from 18 December 2015 to 28 January 2016, both days inclusive. This circular will also be available on Arrowhead's website (www.arrowheadproperties.co.za) from 18 December 2015.

CORPORATE INFORMATION

Registered office of Arrowhead

2nd Floor
18 Melrose Boulevard
Melrose Arch
Johannesburg, 2196
(PO Box 685, Melrose Arch, 2076)

Company secretary

CIS Company Secretaries Proprietary Limited
(Registration number 2000/002046/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61763, Marshalltown, 2107)

Corporate advisor

Java Capital Proprietary Limited
(Registration number 2012/089864/07)
6A Sandown Valley Crescent
Sandton, 2196
(PO Box 2087, Parklands, 2121)

Sponsor

Java Capital Trustees and Sponsors Proprietary Limited
(Registration number 2006/005780/07)
6A Sandown Valley Crescent
Sandton, 2196
(PO Box 2087, Parklands, 2121)

Tax advisor

Java Capital Tax and Legal Proprietary Limited
(Registration number 2015/063226/07)
6A Sandown Valley Crescent
Sandton, 2196
(PO Box 2087, Parklands, 2121)

Legal advisor

Cliffe Dekker Hofmeyr Inc.
(Registration number 2008/018923/21)
11 Buitengracht Street
Cape Town, 9001
(PO Box 695, Cape Town, 8000)

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Ground Floor, 70 Marshall Street
Johannesburg
(PO Box 61051, Marshalltown, 2107)

Date and place of incorporation of Arrowhead

Incorporated in the Republic of South Africa on 5 January 2011

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ACTION REQUIRED BY ARROWHEAD SHAREHOLDERS

The definitions and interpretations commencing on page 8 of this circular apply to this section.

THE COMBINED GENERAL MEETING

A combined general meeting of Arrowhead shareholders will be held at 10:00 on Thursday, 28 January 2016 at the registered offices of Arrowhead at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196, to consider and, if deemed fit, approve the resolutions set out in the notice of combined general meeting. The notice of combined general meeting is attached to and forms part of this circular.

Certificated shareholders and dematerialised shareholders who have elected own name registration in the subregister of Arrowhead who are unable to attend the combined general meeting but who wish to be represented thereat are requested to complete and return the attached form of proxy (*pink*) in accordance with the instructions contained therein. The duly completed forms of proxy are requested to be received by the transfer secretaries by no later than 10:00 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the combined general meeting immediately before the commencement thereof.

Dematerialised shareholders who have not elected own name registration in the subregister of Arrowhead and who wish to attend the combined general meeting, must instruct their CSDP or broker timeously in order that such CSDP or broker may issue them with the necessary letter of representation.

Dematerialised shareholders who have not elected own name registration in the subregister of Arrowhead and who are unable to attend the combined general meeting, but wish to vote thereat, must provide their CSDP or broker with their instruction for voting at the combined general meeting in the manner stipulated in the agreement between the shareholders concerned and the CSDP or broker governing the relationship between such shareholders and his CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

Arrowhead does not accept responsibility and will not be held liable for any failure on the part of the CSDP of a dematerialised shareholder to notify such shareholder of the combined general meeting or any business to be conducted thereat.

Voting procedure and quorum

The quorum requirements for the combined general meeting to begin or for a matter to be considered are:

- (i) at least three shareholders entitled to attend and vote and who are present in person or able to participate in the meeting by electronic communication, or represented by a proxy who is present in person or able to participate in the meeting by electronic communication, must be present;
- (ii) the combined general meeting may not begin until sufficient persons present at the meeting to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the combined general meeting; and
- (iii) a matter to be decided at the combined general meeting may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

Every shareholder present in person or represented by proxy and entitled to vote shall on a show of hands have only one vote, irrespective of the number of Arrowhead shares he holds or represents. On a poll, every shareholder present in person or represented by proxy and entitled to vote shall be entitled to one vote in respect of each share he/she holds.

THE GENERAL MEETING OF "A" SHAREHOLDERS

A general meeting of Arrowhead "A" shareholders will be held at the later of 10:10 and five minutes after the completion of the combined general meeting on Thursday, 28 January 2016 at the registered offices of Arrowhead at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196, to consider and, if deemed fit, approve the resolutions set out in the notice of general meeting of "A" shareholders. The notice of general meeting of "A" shareholders is attached to and forms part of this circular.

Certificated "A" shareholders and dematerialised "A" shareholders who have elected own name registration in the subregister of Arrowhead who are unable to attend the general meeting of "A" shareholders, but who wish to be represented thereat are requested to complete and return the attached form of proxy (*blue*) in accordance with the instructions contained therein. The duly completed forms of proxy are requested to be received by the transfer secretaries by no later than 10:10 on Tuesday,

26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of “A” shareholders immediately before the commencement thereof.

Dematerialised “A” shareholders who have not elected own name registration in the subregister of Arrowhead and who wish to attend the general meeting of “A” shareholders must instruct their CSDP or broker timeously in order that such CSDP or broker may issue them with the necessary letter of representation.

Dematerialised “A” shareholders who have not elected own name registration in the subregister of Arrowhead and who are unable to attend the general meeting of “A” shareholders, but wish to vote thereat, must provide their CSDP or broker with their instruction for voting at the general meeting of “A” shareholders in the manner stipulated in the agreement between the “A” shareholders concerned and the CSDP or broker governing the relationship between such shareholders and his/her CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

Arrowhead does not accept responsibility and will not be held liable for any failure on the part of the CSDP of a dematerialised “A” shareholder to notify such shareholder of the general meeting of “A” shareholders or any business to be conducted thereat.

Voting procedure and quorum

The quorum requirements for the general meeting of “A” shareholders to begin, or for a matter to be considered, are:

- (i) at least three “A” shareholders entitled to attend and vote and who are present in person or able to participate in the meeting by electronic communication, or represented by a proxy who is present in person or able to participate in the meeting by electronic communication, must be present;
- (ii) the general meeting of “A” shareholders may not begin until sufficient persons present at the meeting to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the general meeting of “A” shareholders; and
- (iii) a matter to be decided at the general meeting of “A” shareholders may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

Every “A” shareholder present in person or represented by proxy and entitled to vote shall, on a show of hands, have only one vote, irrespective of the number of Arrowhead “A” shares he holds or represents. On a poll, every “A” shareholder present in person or represented by proxy and entitled to vote shall be entitled to one vote in respect of each “A” share he holds.

THE GENERAL MEETING OF “B” SHAREHOLDERS

A general meeting of Arrowhead “B” shareholders will be held at the later of 10:20 and five minutes after the completion of the general meeting of “A” shareholders on Thursday, 28 January 2016 at the registered offices of Arrowhead at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196, to consider and, if deemed fit, approve the resolutions set out in the notice of general meeting of “B” shareholders. The notice of general meeting of “B” shareholders is attached to and forms part of this circular.

Certificated “B” shareholders and dematerialised “B” shareholders who have elected own name registration in the subregister of Arrowhead who are unable to attend the general meeting of “B” shareholders, but who wish to be represented thereat, are requested to complete and return the attached form of proxy (*purple*) in accordance with the instructions contained therein. The duly completed forms of proxy are requested to be received by the transfer secretaries by no later than 10:20 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of “B” shareholders immediately before the commencement thereof.

Dematerialised “B” shareholders who have not elected own name registration in the subregister of Arrowhead and who wish to attend the general meeting of “B” shareholders must instruct their CSDP or broker timeously in order that such CSDP or broker may issue them with the necessary letter of representation.

Dematerialised “B” shareholders who have not elected own name registration in the subregister of Arrowhead and who are unable to attend the general meeting of “B” shareholders, but who wish to vote thereat, must provide their CSDP or broker with their instruction for voting at the general meeting of “B” shareholders in the manner stipulated in the agreement between the “B” shareholders concerned and the CSDP or broker governing the relationship between such shareholders and his CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

Arrowhead does not accept responsibility and will not be held liable for any failure on the part of the CSDP of a dematerialised “B” shareholder to notify such shareholder of the general meeting of “B” shareholders or any business to be conducted thereat.

Voting procedure and quorum

The quorum requirements for the general meeting of “B” shareholders to begin, or for a matter to be considered, are:

- (i) at least three “B” shareholders entitled to attend and vote and who are present in person or able to participate in the meeting by electronic communication, or represented by a proxy who is present in person or able to participate in the meeting by electronic communication, must be present;
- (ii) the general meeting of “B” shareholders may not begin until sufficient persons present at the meeting to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the general meeting of “B” shareholders; and
- (iii) a matter to be decided at the general meeting of “B” shareholders may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

Every “B” shareholder present in person or represented by proxy and entitled to vote shall, on a show of hands, have only one vote, irrespective of the number of Arrowhead “B” shares he holds or represents. On a poll, every “B” shareholder present in person or represented by proxy and entitled to vote shall be entitled to one vote in respect of each “B” share he holds.

ELECTRONIC PARTICIPATION

The company has made provision for Arrowhead shareholders or their proxies to participate electronically in the general meetings by way of telephone conferencing. Should you wish to participate in the general meetings by telephone conference call, you, or your proxy, will be required to advise the company thereof by no later than 10:00 on Tuesday, 26 January 2016, by submitting by email to the company secretary at nazli.reid@computershare.co.za relevant contact details, including an email address, cellular number and landline as well as full details of your title to securities issued by the company and proof of identity, in the form of copies of identity documents and documents of title (in the case of certificated Arrowhead shares) or written confirmation from your CSDP confirming your title to the dematerialised Arrowhead shares (in the case of dematerialised Arrowhead shares). Upon receipt of the required information, you will be provided with a secure code and instructions to access the electronic communication during the general meetings. Arrowhead shareholders must note that access to the electronic communication will be at the expense of the Arrowhead shareholders who wish to utilise the facility.

Arrowhead shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the general meetings through this medium. Accordingly, shareholders making use of the electronic participation facility are requested to submit their forms of proxy to the company, as directed.

CERTIFICATED SHAREHOLDERS – SURRENDER OF DOCUMENTS OF TITLE

If the restructure is implemented, certificated shareholders will be required to surrender their documents of title in respect of all Arrowhead shares in order for replacement certificates to be issued in respect of ordinary shares.

If you wish to surrender your document(s) of title in anticipation of the restructure being implemented, you should complete the attached form of surrender (*yellow*) in accordance with its instructions and return it together with your document(s) of title, to Computershare (70 Marshall Street, Johannesburg, 2001 (PO Box 61763, Marshalltown, 2107)), to be received by no later than 12:00 on the restructure record date. No receipts or proof of receipt will be issued. Documents of title surrendered in anticipation of the restructure being implemented will be held in trust by Computershare, at the relevant shareholder’s risk, pending the implementation of the restructure.

Your attention is drawn to the fact that if you surrender your document(s) of title in advance, you will be unable to dematerialise and/or trade in those shares on the JSE from the date of surrender. However, your right to attend and vote at the general meetings will remain unaffected.

The form of surrender (*yellow*) should be retained as no further copies will be circulated. Additional copies may be requested from Computershare at the address set out in the Corporate Information section.

If documents of title relating to any shares to be surrendered are lost or destroyed, Arrowhead may dispense with the surrender of such documents of title upon production of evidence satisfactory to Arrowhead that the documents of title in question have been lost or destroyed and upon provision of a suitable indemnity on terms satisfactory to the company. Accordingly, if the documents of title in respect of any of your shares have been destroyed, you should nevertheless return the attached form of surrender (*yellow*), duly signed and completed, together with a duly signed and completed indemnity form which is obtainable from Computershare.

Should the restructure not be implemented, any documents of title surrendered and held by Computershare will be returned to the relevant shareholders by Computershare, at the relevant shareholders' own risk, by registered post within five business days from the date of receipt of the document of title or the date on which it becomes known that the restructure will not be implemented, whichever is the later.

DEMATERIALIZED SHAREHOLDERS

Dematerialised shareholders do not have to surrender any documents of title and must not complete the form of surrender.

IMPLEMENTATION OF THE RESTRUCTURE

Should the restructure be implemented, dematerialised shareholders reflected in the register on the restructure record date will have their accounts held at their CSDP or broker updated on the implementation date to reflect the number of ordinary shares held by them.

Should the restructure be implemented, documents of title held by certificated shareholders reflected on the register on the restructure record date in respect of both "A" and "B" shares will be replaced with share certificates reflecting the number of ordinary shares held by those shareholders. Provided the relevant document of title has been surrendered on or before 12:00 on the restructure record date:

- Certificated shareholders who wish to hold ordinary shares in dematerialised form who already have an account with a broker or CSDP and have provided the correct details of their CSDP or broker account in the appropriate box "Details of CSDP or broker" in the form of surrender (*yellow*), will have their accounts at their brokers or CSDPs credited on the implementation date with the number of ordinary shares of such shareholders;
- Certificated shareholders who wish to hold ordinary shares in dematerialised form, but who do not have an account with a broker or CSDP or who failed to provide correct details of their CSDP or broker account in the appropriate box "Details of CSDP or broker" of the form of surrender (*yellow*), will be issued with a statement of allocation (to be posted to the address recorded in Arrowhead's share register, via registered post and at the shareholder's risk, within five business days of the implementation date) and will be required to appoint a broker or CSDP so that the ordinary shares can be made available to them in dematerialised form following implementation of the restructure; and
- Certificated shareholders who do not wish to hold their ordinary shares in dematerialised form and prefer to hold them in certificated form will be afforded the option to "withdraw" their dematerialised ordinary shares and replace these with the appropriate physical document of title, which will be posted to the address recorded in Arrowhead's share register, via registered post and at the shareholder's risk, within five business days of the implementation date.

Those certificated shareholders who do not surrender their documents of title before 12:00 on the restructure record date, will be issued with a statement of allocation (to be posted to the address recorded in Arrowhead's share register, via registered post and at the shareholders' risk, within five business days of receipt of the completed form of surrender (*yellow*)) and will be required to appoint a broker or CSDP so that the ordinary shares can be made available to them in dematerialised form following implementation of the restructure. Certificated shareholders who do not wish to hold their ordinary shares in dematerialised form and prefer to hold them in certificated form will be afforded the option to "withdraw" their dematerialised ordinary shares and replace these with the appropriate physical documents of title, which will be posted to the address recorded in Arrowhead's share register, via registered post and at the shareholder's risk, within five business days of receipt of the completed form of surrender (*yellow*).

In the case of the certificated shareholders who wish to "withdraw" their dematerialised shares and replace them with a physical document of title, as provided for above, and whose registered addresses in the register are outside of the Common Monetary Area, or where the relevant share certificates are restrictively endorsed in terms of the South African Exchange Control Regulations, the following will apply:

- for non-residents who are emigrants from the Common Monetary Area, the replacement documents of title will be sent to the certificated shareholder's authorised dealer in foreign exchange in South Africa controlling their blocked assets; and
- for all other non-residents, the replacement documents of title will be restrictively endorsed "non-resident" in terms of the South African Exchange Control Regulations.

For assistance in opening an account with any CSDP or broker, shareholders must please visit the website of the JSE (www.jse.co.za) or Strate Limited (www.strate.co.za/aboutstrate/participants), which set out all the names and numbers of the CSDPs and members of the JSE who can assist with the opening of such share accounts. You will need to complete a custody mandate and provide FICA verification to your chosen CSDP or broker, a process similar to opening a bank account.

SALIENT DATES AND TIMES

2015

Record date to receive this circular	Friday, 11 December
Circular posted on	Friday, 18 December
Announcement relating to the issue of the circular released on SENS	Friday, 18 December
Announcement relating to the issue of the circular published in the press	Monday, 21 December

2016

Last day to trade in order to be eligible to vote at the general meetings	Friday, 15 January
Voting record date	Friday, 22 January
Last day to lodge forms of proxy in respect of the combined general meeting with the transfer secretaries, by 10:00	Tuesday, 26 January
Last day to lodge forms of proxy in respect of the general meeting of "A" shareholders with the transfer secretaries, by 10:10	Tuesday, 26 January
Last day to lodge forms of proxy in respect of the general meeting of "B" shareholders with the transfer secretaries, by 10:20	Tuesday, 26 January
The combined general meeting held at 10:00	Thursday, 28 January
The general meeting of "A" shareholders held at the later of 10:10 and five minutes after the completion of the combined general meeting	Thursday, 28 January
The general meeting of "B" shareholders held at the later of 10:20 and five minutes after the completion of the general meeting of "A" shareholders	Thursday, 28 January
Results of the general meetings released on SENS	Thursday, 28 January
Results of the general meetings published in the press	Friday, 29 January
Last date for Arrowhead to send notice of the adoption of the new MoI to shareholders who qualify to receive such notice in terms of section 164(4) of the Companies Act (if any)	Thursday, 11 February
Last date for shareholders to deliver a written notice to the company demanding that the company pay the shareholder the fair value for all of the Arrowhead shares held by that shareholder in terms of section 164(7) of the Companies Act ¹	Thursday, 25 February
Expected finalisation date of the restructure	Friday, 26 February
Finalisation announcement in respect of the restructure expected to be released on SENS	Friday, 26 February
Finalisation announcement in respect of the restructure expected to be published in the press	Monday, 29 February
Expected last day to trade in Arrowhead "A" and "B" shares on the JSE prior to the restructure	Friday, 4 March
Expected suspension of Arrowhead "B" shares under share code: AWB and ISIN: ZAE000203113 on the JSE from 09:00	Monday, 7 March
Expected reclassification of "A" shares as ordinary shares, under the existing share code: AWA and ISIN: ZAE000203105 from 09:00	Monday, 7 March
Expected listing and commencement of trading of 468 732 268 Arrowhead ordinary shares (being the former "B" shares, now converted to "A" shares and reclassified as ordinary shares) under the existing share code: AWA and ISIN: ZAE000203105, such that the total number of listed ordinary shares is 937 464 536 (equivalent to the total issued "A" and "B" shares prior to the restructure), from 09:00	Monday, 7 March

Expected restructure record date	Friday, 11 March
Expected implementation date	Monday, 14 March
Expected date dematerialised shareholders reflected in the register on the restructure record date have their accounts at their CSDP or broker updated with ordinary shares and statements of allocation posted to Arrowhead shareholders holding certificated shares and reflected in the register on the restructure record date (provided documents of title have been surrendered by certificated shareholders under cover of the form of surrender before 12:00 on the restructure record date)	Monday, 14 March
Expected termination of listing of “B” shares at 09:00	Monday, 14 March

Notes:

1. This date applies to shareholders who objected to the adoption of the new MoI in terms of section 164(3) of the Companies Act before 10:00 on Thursday, 28 January 2016 and thereby qualify to receive notice of the adoption of the new MoI in terms of section 164(4) of the Companies Act and who actually receive notice on Friday, 29 January 2016. The date applicable to any specific shareholder should be determined in terms of section 164(7) of the Companies Act.
2. Arrowhead shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade. Therefore, shareholders who acquire Arrowhead shares after close of trade on Friday, 15 January 2016 will not be eligible to vote at the general meetings.
3. All dates and times in this circular are local dates and times in South Africa and are subject to change. Any changes will be released on SENS and published in the press.
4. Arrowhead shareholders are referred to page 2 of this circular for information on the action required to be taken by them.

DEFINITIONS AND INTERPRETATIONS

In this circular and the annexures hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column, as follows:

“ A ” share” or “ A ” ordinary share”	an “A” ordinary share of no par value in the share capital of Arrowhead;
“ A ” shareholder”	the holder of an “A” ordinary share;
“ adoption of the new MoI ”	the adoption by the company and filing of the new MoI, as further detailed in paragraph 6;
“ Arrowhead ” or “ the company ”	Arrowhead Properties Limited (Registration number 2011/000308/06), a public company incorporated and registered in terms of the laws of South Africa and listed on the Main Board of the JSE, full details of which are set out in the Corporate Information section;
the “ Arrowhead group ”	the company and its subsidiaries;
“ B ” share” or “ B ” ordinary share”	a “B” ordinary share of no par value in the share capital of Arrowhead;
“ B ” shareholder”	the holder of a “B” ordinary share;
“ board ” or “ directors ” or “ board of directors ”	the board of directors of Arrowhead, as set out in page 11 of this circular;
“ business day ”	any day other than a Saturday, Sunday or official public holiday in South Africa, and in the event that a day referred to in this circular should fall on a day which is not a business day, the relevant day will be extended to the next succeeding business day;
“ certificated shareholders ”	shareholders who hold certificated shares;
“ certificated shares ”	shares which have not been dematerialised into the Strate system, title to which is represented by a share certificate or other physical documents of title;
“ CIPC ”	the Companies and Intellectual Property Commission;
“ circular ”	this document dated 18 December 2015, including all annexures, the notices of general meeting, forms of proxy and form of surrender;
“ combined general meeting ”	the combined general meeting of Arrowhead shareholders to be held at 10:00 on Thursday, 28 January 2016 at the registered office of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196;
“ Common Monetary Area ”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
“ Companies Act ”	the Companies Act No. 71 of 2008, as amended;
“ company secretary ”	CIS Company Secretaries Proprietary Limited (Registration number 2000/002046/07), a private company incorporated and registered in terms of the laws of South Africa, full details of which are set out in the Corporate Information section;
“ conditions precedent ”	the conditions precedent to which the restructure is subject, as set out in paragraph 7;
“ conversion ”	the amendment of the preferences, rights and limitations attached to all the issued and unissued “B” shares, by way of an amendment to the existing MoI, such that they become, and are reclassified as, “A” shares, further details of which are set out in paragraph 4;
“ corporate advisor ”	Java Capital Proprietary Limited (Registration number 2012/089864/07), a private company incorporated and registered in terms of the laws of South Africa, full details of which are set out in the Corporate Information section;

“CSDP”	a Central Securities Depository Participant appointed by a shareholder for purposes of, and in regard to, dematerialisation and to hold and administer dematerialised shares or an interest in dematerialised shares on behalf of a shareholder;
“dematerialise” or “dematerialisation”	the process whereby certificated shares are replaced by electronic records of ownership under Strate and recorded in the subregister of shareholders maintained by a CSDP or broker;
“dematerialised shareholders”	shareholders who hold dematerialised shares;
“dematerialised shares”	shares which have been incorporated into the Strate system, title to which is not represented by share certificates or other physical documents of title;
“documents of title”	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“financial year”	the financial year of Arrowhead, for the time being ending on 30 September of each year;
“general meeting of “A” shareholders”	the general meeting of “A” shareholders to be held at the later of 10:10 and five minutes after the completion of the combined general meeting on Thursday, 28 January 2016 at the registered office of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196;
“general meeting of “B” shareholders”	the general meeting of “B” shareholders to be held at the later of 10:20 and five minutes after the completion of the general meeting of “A” shareholders on Thursday, 28 January 2016 at the registered office of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196;
“general meetings”	collectively, the combined general meeting, the general meeting of “A” shareholders and the general meeting of “B” shareholders;
“implementation date”	the business day on which the restructure becomes operative and is implemented in accordance with the applicable corporate action timetable designated by the JSE, being the first business day following the restructure record date, which implementation date is expected to be Monday, 14 March 2016;
“Income Tax Act”	the Income Tax Act No. 58 of 1962, as amended;
“JSE”	Johannesburg Stock Exchange, being the exchange operated by the JSE Limited (Registration number 2005/022939/06), a public company incorporated and registered in terms of the laws of South Africa, and licensed as an exchange under the Financial Markets Act;
“last practicable date”	10 December 2015, being the last practicable date prior to the finalisation of this circular;
“linked unit”	former “A” linked unit or “B” linked unit in the linked unit capital of Arrowhead, prior to such linked unit being substituted for an “A” share or “B” share, as the case may be, pursuant to the linked unit conversion;
“linked unit conversion”	the restructure of the company’s linked unit capital structure to its current all share capital structure, implemented on and with effect from 20 July 2015, as more fully detailed in the circular to Arrowhead linked unit holders dated 30 April 2015;
“Listings Requirements”	the Listings Requirements published by the JSE from time to time;
“MoI” or “existing MoI”	Arrowhead’s existing memorandum of incorporation, as at the date of this circular, the full version of which is incorporated in this circular by reference and available for inspection as set out in paragraph 22;
“new MoI”	Arrowhead’s new memorandum of incorporation, proposed to be adopted in accordance with the Companies Act, extracts of which are included in Annexure 2 and the full version of which is incorporated in this circular by reference and available for inspection as set out in paragraph 22;

“notice of combined general meeting”	the notice to Arrowhead shareholders convening the combined general meeting, attached to and forming part of this circular;
“notice of general meeting of “A” shareholders”	the notice to “A” shareholders convening the general meeting of “A” shareholders, which is attached to and forms part of this circular;
“notice of general meeting of “B” shareholders”	the notice to “B” shareholders convening the general meeting of “B” shareholders, which is attached to and forms part of this circular;
“notices of general meeting”	collectively, the notice of combined general meeting, notice of general meeting of “A” shareholders and the notice of general meeting of “B” shareholders;
“ordinary share”	an ordinary share of no par value, classified as such pursuant to the reclassification of “A” shares, having the rights and preferences set out in the new MoI;
“own name dematerialised shareholders”	dematerialised shareholders who/which have elected own name registration;
“press”	the Business Day newspaper;
“R” or “Rand”	the South African Rand, the lawful currency of South Africa;
“reclassification of “A” shares”	the reclassification or re-designation of the “A” shares as ordinary shares, as further detailed in paragraph 5;
“register”	the company’s share register, including all subregisters;
“restructure”	collectively, the conversion, the reclassification of “A” shares and the adoption and filing of the new MoI;
“restructure record date”	the business day on which shareholders must be recorded in the register in order to have their account, held at their CSDP or broker, updated on the implementation date to reflect the number of ordinary shares held by them (in the case of dematerialised shareholders) or to have their documents of title in respect of both “A” and “B” shares replaced (in the case of certificated shareholders) pursuant to the implementation of the restructure, which restructure record date is expected to be on or about Friday, 11 March 2016;
“SARS”	the South African Revenue Service;
“SENS”	the Stock Exchange News Service of the JSE;
“shareholder” or “Arrowhead shareholder”	the holder of an Arrowhead share;
“shares” or “Arrowhead shares”	collectively, the “A” shares and the “B” shares, or either of them, as the context may require or, from the implementation date, the ordinary shares;
“South Africa”	the Republic of South Africa;
“sponsor”	Java Capital Trustees and Sponsors Proprietary Limited (Registration number 2006/005780/07), a private company incorporated and registered in terms of the laws of South Africa, full details of which are set out in the Corporate Information section;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated and registered in terms of the laws of South Africa, which is licensed to operate in terms of the Financial Markets Act and which is responsible for the electronic settlement system used by the JSE;
“transfer secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company incorporated and registered in terms of the laws of South Africa, full details of which are set out in the Corporate Information section; and
“voting record date”	the business day on which shareholders must be recorded in the register in order to participate in and vote at the general meetings, being Friday, 22 January 2016.



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

Directors

Matthew Nell* (*chairman*)

Gerald Leissner (*chief executive officer*)

Mark Kaplan (*chief operating officer*)

Imraan Suleman (*chief financial officer*)

Elize Stroebel*

Selwyn Noik*

Taffy Adler*

* *Independent non-executive*

CIRCULAR TO ARROWHEAD SHAREHOLDERS

PART I: INTRODUCTION

1. INTRODUCTION

- 1.1 The authorised shares of the company currently comprise two classes of shares, being "A" shares and "B" shares. While the existing MoI contemplates the automatic conversion of "B" shares to "A" shares upon the distributions in respect of "A" shares reaching a specified milestone, given that there is currently no meaningful difference between the economic participation by holders of "A" shares and "B" shares, Arrowhead believes that there is merit in accelerating the creation of a single class of Arrowhead security.
- 1.2 The board accordingly proposes that Arrowhead's share capital be restructured to comprise a single class of share only, through the implementation of the restructure, which comprises the following inter-related corporate actions:
 - 1.2.1 the conversion (discussed more fully in paragraph 4);
 - 1.2.2 the reclassification of "A" shares (discussed more fully in paragraph 5); and
 - 1.2.3 the adoption and subsequent filing of the new MoI, to take account of the change in the company's capital structure (discussed more fully in paragraph 6).
- 1.3 The purpose of this circular is:
 - 1.3.1 to provide shareholders with all necessary information regarding the restructure so as to enable them to make an informed decision as to whether or not they should vote in favour of the restructure; and
 - 1.3.2 to give notice convening the general meetings at which the resolutions necessary to approve and implement the restructure will be considered and, if deemed fit, passed with or without modification. The notices of general meeting are attached to, and form part of, this circular.

2. RATIONALE FOR THE RESTRUCTURE

- 2.1 Following the recent implementation of the linked unit conversion, Arrowhead currently has two classes of shares, being “A” shares and “B” shares. The “A” shares receive either 15 cents per quarter (60 cents per annum) or 50% of the total distributable income per combined “A” share and “B” share, whichever is higher. In terms of the existing MoI, when the distribution per “A” share in respect of each income period for four consecutive income periods exceeds 30 cents, the “B” shares will automatically convert into “A” shares, creating a single class of Arrowhead security.
- 2.2 The “A” shares and “B” shares have entitled the holders thereof to the same distribution since the first quarter of Arrowhead’s 2014 financial year (when the quarterly distribution per “A” share exceeded 15 cents for the first time) and there is now no meaningful difference between the economic participation of holders of the “A” shares and “B” shares. In the circumstances, Arrowhead believes that there is merit in accelerating the creation of a single class of Arrowhead security, in order to simplify the capital structure and improve liquidity.
- 2.3 On this basis, the board proposes that the share capital of Arrowhead be restructured to comprise a single class of share only.

3. TAX IMPLICATIONS OF THE RESTRUCTURE

- 3.1 The company has sought a tax opinion as to whether the conversion would have any negative tax consequences for Arrowhead shareholders and, in particular, whether the conversion could be construed as a “disposal” for purposes of the Eighth Schedule to the Income Tax Act (*Determination of Taxable Capital Gains and Assessed Capital Losses*) (the “**Eighth Schedule**”).
- 3.2 The tax advice received is that on a proper interpretation of the Eighth Schedule, there are compelling arguments that the conversion does not constitute a “disposal”, notwithstanding the suggestion in the SARS’ Comprehensive Guide to Capital Gains Tax (Issue 4) that a conversion of a convertible preference share will not constitute a disposal only if the time and terms of the conversion are fixed up front.
- 3.3 The above constitutes a high level summary of the tax opinion received by the company, which summary is not determinative and does not take account of the individual circumstances of shareholders. Shareholders and, in particular, shareholders who are not South African residents for tax purposes, are advised to seek independent professional tax advice in respect of the restructure, including the conversion.
- 3.4 The company gives no warranties or undertakings and makes no representations as to the correctness of the opinion summarised in this clause 3, and is not responsible for the tax consequences of the restructure for any particular shareholder. The summary is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it.

PART II: MECHANICS OF THE RESTRUCTURE

4. THE CONVERSION

- 4.1 Subject to the fulfilment or, where applicable, waiver of the conditions precedent, upon implementation of the conversion, the preferences, rights and limitations of each “B” share shall be amended, by way of an amendment to the existing MoI, such that each “B” share becomes an “A” share and such that all “B” shares will in effect convert into “A” shares in a ratio of 1:1. In the result:
- 4.1.1 the capital structure of Arrowhead will constitute a single class of share only, namely “A” shares; and
- 4.1.2 “B” shareholders will no longer hold “B” shares, but an equivalent number of “A” shares.
- 4.2 As required in terms of the Companies Act, the existing MoI and the Listings Requirements, and as detailed in the notices of general meeting, the following resolutions will be put to shareholders at the general meetings in order to approve the conversion:
- 4.2.1 a special resolution of shareholders, to be proposed at the combined general meeting;
- 4.2.2 a special resolution of “A” shareholders, to be proposed at the general meeting of “A” shareholders, in that the conversion technically impacts on the preferences, rights, limitations and other terms associated with the “A” shares and requires approval at a separate meeting pursuant to clause 8.4 of the existing MoI; and
- 4.2.3 a special resolution of “B” shareholders, to be proposed at the general meeting of “B” shareholders, in that the variation of the preferences, rights and limitations of the “B” shares requires approval at a separate meeting pursuant to clause 8.4 of the existing MoI.

5. THE RECLASSIFICATION OF “A” SHARES

- 5.1 Arrowhead’s authorised shares as at the last practicable date comprise 1 000 000 000 “A” shares and 1 000 000 000 “B” shares, of which 468 732 268 “A” shares and 468 732 268 “B” shares are in issue as at the last practicable date.
- 5.2 The conversion contemplates that the “B” shares are converted to “A” shares in the ratio of 1:1, such that the share capital of the company comprises a single class of share only. The restructure will accordingly effectively result in an authorised share capital of 2 000 000 000 “A” shares and an issued share capital of 937 464 536 “A” shares (being the only class of authorised shares).
- 5.3 It is accordingly proposed that, subject to the fulfilment and, where applicable, waiver of the conditions precedent, and in order to reflect the single-class share capital structure of the company, the “A” shares (both issued and unissued, and authorised) will be reclassified as ordinary shares, being the only class of share in the company, with the ordinary shares having the preferences, rights and limitations set out in the new MoI.
- 5.4 As detailed in the notice of combined general meeting, a special resolution to approve the reclassification of “A” shares will be put to shareholders at the combined general meeting.

6. THE ADOPTION OF THE NEW MOI

- 6.1 Subject to the fulfilment and, where applicable, waiver of the conditions precedent, the board proposes that the MoI will be abrogated in its entirety and replaced by the new MoI, which new MoI is approved and consented to by Arrowhead.
- 6.2 The new MoI reflects the amendments to the capital structure of the company pursuant to paragraphs 4 and 5, and otherwise contains substantially the same principles as those which are contained in the existing MoI. Importantly, the ordinary shares specified in the new MoI (being the only class of shares authorised and issued pursuant to the restructure) are the former “A” shares, which have been reclassified as detailed in paragraph 5. The rights and preferences attaching to the ordinary shares, including the right to distributions of the net income of the company, are, in effect, the same as those currently attaching to the former “A” shares; they simply (and by operation of the restructure) no longer share net income distributions with, and are no longer preferred to, the “B” shares (given that “B” shares are no longer authorised to be issued by the company).

- 6.3 The adoption of the new MoI is required in terms of the Companies Act to be approved by way of a special resolution of Arrowhead shareholders. Accordingly, a special resolution to approve the adoption of the new MoI will be put to shareholders at the combined general meeting.
- 6.4 The salient features of the new MoI are set out in **Annexure 2**. The attention of shareholders is also drawn to paragraph 8 below, read with **Annexure 1**.

7. CONDITIONS PRECEDENT TO THE RESTRUCTURE

- 7.1 The restructure is subject to the fulfilment or, where applicable, waiver of the following conditions precedent:
 - 7.1.1 the passing of all resolutions set out in the notices of general meeting, by the requisite majorities of shareholders;
 - 7.1.2 receipt of confirmation by CIPC stating that it has accepted and placed on file the relevant documents required to effect the restructure;
 - 7.1.3 all applicable regulatory and statutory approvals being obtained; and
 - 7.1.4 no shareholder validly exercising its rights in terms of section 164 of the Companies Act in respect of any aspect of the restructure, within the timeframes specified therein.
- 7.2 The conditions precedent have been inserted in the company's favour. The condition precedent contemplated in paragraph 7.1.4 is capable of waiver and the company may waive such condition in its sole discretion at any time. The remaining conditions precedent are incapable of waiver.
- 7.3 A certificate signed by two directors of the company stating that the conditions precedent have been fulfilled and/or waived and that the restructure is capable of implementation shall be binding on the company and the shareholders.

8. SECTION 164 APPRAISAL RIGHTS

- 8.1 Shareholders are advised that the Companies Act affords relief to holders of a class of share where a company's memorandum of incorporation is amended by altering the preferences, rights, limitations or other terms of such class of shares in any manner material and adverse to the rights or interests of the holders thereof, provided that the holders take appropriate action as prescribed in sections 37(8) and 164 of the Companies Act. In order to enable shareholders to make an assessment of whether they consider their rights or interests to be affected as aforesaid, the complete new MoI and the existing MoI are incorporated in this circular by reference and have been made available for inspection as set out in paragraph 22.
- 8.2 Section 164 of the Companies Act provides that:
 - 8.2.1 at any time before a resolution to amend its memorandum of incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of share, as contemplated in section 37(8) of the Companies Act, a shareholder may give the company a written notice objecting to such resolution;
 - 8.2.2 within 10 business days after a company has adopted a resolution referred to above, the company must send a notice that such resolution has been adopted to each shareholder who gave the company a written notice of objection and has neither withdrawn that notice nor voted in favour of such resolution;
 - 8.2.3 a shareholder may demand in writing within 20 business days after receipt of the notices referred to above that the company pay the shareholder the fair value for all the shares of the company held by that person if:
 - 8.2.3.1 the shareholder sent the company a notice of objection;
 - 8.2.3.2 the company has adopted the resolution referred to above; and
 - 8.2.3.3 the shareholder voted against such resolution and has complied with all of the procedural requirements of section 164 of the Companies Act;

- 8.2.4 the demand sent by the shareholder to the company as provided above must set out:
 - 8.2.4.1 the shareholder's name and address;
 - 8.2.4.2 the number of shares in respect of which the shareholder seeks payment; and
 - 8.2.4.3 a demand for payment of the fair value of those shares. The fair value of the shares is determined as at the date on which, and the time immediately before the company adopted the resolution that gave rise to the shareholder's rights under section 164 of the Companies Act;
- 8.2.5 a shareholder who has sent a demand has no further rights in respect of those shares, other than to be paid their fair value unless:
 - 8.2.5.1 the shareholder withdraws that demand before the company makes an offer under section 164(11) of the Companies Act or allows an offer by the company to lapse, as contemplated in section 164(12)(b);
 - 8.2.5.2 the company fails to make an offer in accordance with section 164(11) of the Companies Act and the shareholder withdraws the demand; or
 - 8.2.5.3 the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under section 164 of the Companies Act; and
- 8.2.6 if any of the events mentioned in the paragraph above occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- 8.3 Any shareholder that is in doubt as to what action to take must consult their legal or professional advisor in this regard.
- 8.4 Before exercising their rights under section 164 of the Companies Act, shareholders should have regard to the fact that the court is empowered to grant a costs order in favour of, or against, a dissenting shareholder, as may be applicable.
- 8.5 In the event that any of the circumstances contemplated in section 164(9) of the Companies Act occur, then a dissenting shareholder's rights in terms of section 164 of the Companies Act shall be reinstated without interruption.
- 8.6 A complete extract of section 164 of the Companies Act is included in **Annexure 1**.

9. GENERAL MEETINGS

- 9.1 A combined general meeting of Arrowhead shareholders will be held at 10:00 on Thursday, 28 January 2016 at the registered office of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 for shareholders to consider and, if deemed fit, pass with or without modification the resolutions set out in the notice of combined general meeting.
- 9.2 A general meeting of "A" shareholders will be held at the later of 10:10 and five minutes after the completion of the combined general meeting on Thursday, 28 January 2016 at the registered office of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 for "A" shareholders to consider and, if deemed fit, pass with or without modification the resolutions set out in the notice of general meeting of "A" shareholders.
- 9.3 A general meeting of "B" shareholders will be held at the later of 10:20 and 5 minutes after the completion of the general meeting of "A" shareholders on Thursday, 28 January 2016 at the registered office of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 for "B" shareholders to consider and, if deemed fit, pass with or without modification the resolutions set out in the notice of general meeting of "B" shareholders.
- 9.4 Details of the actions required by Arrowhead shareholders are set out on page 2 of this circular.

10. IMPLEMENTATION OF THE RESTRUCTURE

- 10.1 Subject to the fulfilment or waiver, if applicable, of the conditions precedent, the restructure will be implemented on the implementation date. The JSE has approved the restructure and will implement the restructure by:
- 10.1.1 reclassifying the 468 732 268 issued “A” shares as ordinary shares, under the JSE share code AWA and the ISIN ZAE000203105; and
 - 10.1.2 listing 468 732 268 additional issued ordinary shares (the former “B” shares) under the JSE share code: AWA and the ISIN: ZAE000203105,
- with effect from the implementation date.
- 10.2 Statements will be posted to certificated shareholders, and dematerialised shareholders will have their accounts at their CSDP or broker automatically updated on the implementation date. Arrowhead shareholders are referred to page 2 of this circular for information on the action required to be taken by them.

PART III: GENERAL

11. SHARE CAPITAL OF THE COMPANY

11.1 The share capital of Arrowhead as at the last practicable date is set out below:

	R
<i>Authorised share capital</i>	
1 000 000 000 "A" ordinary shares of no par value	–
1 000 000 000 "B" ordinary shares of no par value	–
<i>Issued share capital</i>	
468 732 268 "A" ordinary shares of no par value	–
468 732 268 "B" ordinary shares of no par value	–
Stated capital	6 029 011 340

400 "A" shares and 400 "B" shares are held in treasury.

11.2 Assuming the implementation of the restructure, the anticipated share capital of Arrowhead after the transaction is set out below:

	R
<i>Authorised share capital</i>	
2 000 000 000 ordinary shares of no par value	–
<i>Issued share capital</i>	
937 464 536 ordinary shares of no par value	–
Stated capital	6 029 011 340

800 ordinary shares will be held in treasury.

11.3 With effect from 20 July 2015, the company's linked unit capital structure was converted to its current all share capital structure pursuant to a scheme of arrangement implemented in terms of sections 114 and 115 of the Companies Act, as more fully detailed in the circular to Arrowhead linked unitholders dated 30 April 2015.

11.4 The price and trading history of the company's shares (and, prior to 20 July 2015, linked units) on the JSE is set out in **Annexure 3**.

12. DISTRIBUTIONS

12.1 It is anticipated that the restructure will be implemented prior to the record date for the receipt of the company's net income distribution for the six months ending 31 March 2016. Subject to the restructure being so implemented, the right of ordinary shareholders to the company's net income distribution for the six months ended 31 March 2016 (the "**2016 interim distribution**") will accordingly be determined with reference to the terms of the new MoI. Insofar as the restructure is not implemented prior to the record date for the receipt of the 2016 interim distribution, the right of "A" and "B" shareholders to such distribution will be determined as set out in the existing MoI.

12.2 It is noted however, given that the net income distribution to "A" and "B" shareholders is currently the same, in practical terms the restructure is expected to have no impact on the distributions received by Arrowhead shareholders.

13. MAJOR SHAREHOLDERS

- 13.1 Set out below are the names of Arrowhead shareholders, other than directors, that, directly or indirectly, are beneficially interested in 5% or more of the issued "A" shares as at the last practicable date:

Shareholder	Number of shares	% of "A" shares	% of total shares
Public Investment Corporation	55 539 520	11.8	5.9
Government Employees Pension Fund	54 579 169	11.6	5.8
Coronation Fund Managers	31 875 497	6.8	3.4
Nedbank Group	28 404 285	6.1	3.1
Investec Asset Management	24 860 993	5.3	2.7
Foord Asset Management	24 230 308	5.2	2.6
Total	219 489 772	46.8	23.5

- 13.2 Set out below are the names of Arrowhead shareholders, other than directors, that, directly or indirectly, are beneficially interested in 5% or more of the issued "B" shares as at the last practicable date:

Shareholder	Number of shares	% of "B" shares	% of total shares
Public Investment Corporation	49 094 888	10.5	5.3
Investec Asset Management	46 604 486	9.9	4.9
Government Employees Pension Fund	42 973 771	9.2	4.6
Coronation Fund Managers	33 019 984	7.0	3.5
Investec	28 079 771	6.0	3.0
Nedbank Group	25 789 609	5.5	2.8
Visio Capital Management	24 056 757	5.1	2.6
Total	271 550 683	53.2	26.7

- 13.3 Set out below are the names of Arrowhead shareholders, other than directors, that, directly or indirectly, are expected to be beneficially interested in 5% or more of the issued shares of Arrowhead post the implementation of the restructure:

Shareholder	Number of shares	% of total
Public Investment Corporation	104 634 408	11.2
Government Employees Pension Fund	97 552 940	10.4
Investec Asset Management	71 465 479	7.6
Coronation Fund Managers	64 895 481	6.9
Nedbank Group	54 193 894	5.8
Visio Capital Management	44 226 786	4.7
Total	436 968 988	46.6

- 13.4 As at the last practicable date, the directors had no knowledge of any controlling shareholders in Arrowhead.

14. DIRECTORS' INTERESTS IN ARROWHEAD SHARES

14.1 The direct and indirect beneficial interests of the directors and their associates in the issued share capital of Arrowhead as at 30 September 2015 was as follows. No directors have resigned during the past 18 months.

"A" shares

Director	Direct beneficial	Indirect beneficial	Total	% of "A" shares in issue
G Leissner	–	6 274 051	6 274 051	1.43
I Suleman	5 451 036	–	5 451 036	1.25
M Kaplan	5 205 210	–	5 205 210	1.19
M Nell	46 000	–	46 000	0.01
Total	10 702 246	6 274 051	16 976 297	3.88

* Based on an issued share capital of 437 607 408 "A" shares.

"B" shares

Director	Direct beneficial	Indirect beneficial	Total	% of "B" shares in issue
G Leissner	365 000	6 227 051	6 592 051	1.51
M Kaplan	5 790 914	–	5 790 914	1.32
I Suleman	5 451 036	–	5 451 036	1.25
M Nell	91 000	–	91 000	0.02
S Noik	70 000	–	70 000	0.01
Total	11 767 950	6 227 051	17 995 001	4.11

* Based on an issued share capital of 437 607 408 "B" shares.

14.2 Between the financial year ended 30 September 2015 and the last practicable date, the interests of the directors (and their associates) in Arrowhead shares changed as follows:

14.2.1 2B Mervyn Road Proprietary Limited (an associate of G Leissner) was awarded 2 066 911 "A" shares and 2 066 911 "B" shares in terms of the Arrowhead Unit Purchase and Option Scheme;

14.2.2 Suleman Family Trust (an associate of I Zeeman) was awarded 1 674 989 "A" shares and 1 674 989 "B" shares in terms of the Arrowhead Unit Purchase and Option Scheme; and

14.2.3 Arrowplay Trust (an associate of M Kaplan) was awarded 1 674 989 "A" shares and 1 674 989 "B" shares in terms of the Arrowhead Unit Purchase and Option Scheme.

14.3 Set out below are the anticipated direct and indirect beneficial interests of the directors and their associates in the issued share capital of Arrowhead post implementation of the restructure:

Ordinary shares

Director	Direct beneficial	Indirect beneficial	Total shares held	% of shares in issue
G Leissner	365 000	16 634 924	16 999 924	1.81
M Kaplan	10 996 124	3 349 978	14 346 102	1.53
I Suleman	10 902 072	3 349 978	14 252 050	1.52
M Nell	137 000	–	137 000	0.01
S Noik	70 000	–	71 000	0.01
Total	22 470 196	23 334 880	45 806 076	4.89

* Based on an issued share capital of 937 464 536 ordinary shares.

15. DIRECTORS' INTERESTS IN THE RESTRUCTURE AND OTHER TRANSACTIONS

15.1 Save as set out in paragraph 14, no director, including a director who resigned during the past 18 months, will benefit directly or indirectly in any manner as a consequence of the implementation of the restructure.

15.2 Save as in relation to their holding of Arrowhead shares as set out in paragraph 14 above, no director of Arrowhead, including a director who resigned during the past 18 months, has or had any material beneficial interest, direct or indirect, in any transactions that were effected by Arrowhead during the current or immediately preceding financial year or during any earlier financial year and which remain in any respect outstanding or unperformed.

16. OPINIONS AND RECOMMENDATIONS

16.1 The board has considered the terms and conditions of the restructure and is unanimously of the opinion that the terms and conditions of the restructure, including the terms and conditions of the conversion, the reclassification of "A" shares and the adoption of the new MoI, are fair and reasonable to Arrowhead shareholders and accordingly recommend that shareholders vote in favour of the resolutions to be proposed at the general meetings.

16.2 Those directors that hold a beneficial interest in Arrowhead shares intend voting in favour of the restructure.

17. DIRECTORS' RESPONSIBILITY STATEMENTS

17.1 The directors, whose names are set out on page 11 of this circular, collectively and individually, accept full responsibility for the accuracy of the information given in this circular and certify that to the best of their knowledge and belief the information contained in the circular is true and that the circular does not omit anything likely to affect the importance of the information contained herein.

18. MATERIAL CHANGES

18.1 There have been no material changes in the financial or trading position of Arrowhead since the company published its results for the year ended 30 September 2015.

18.2 Save for the linked unit conversion (insofar as relevant), there has been no change in the business or trading objects of the Arrowhead group during the past five years, and no such change will come about by virtue of the implementation of the restructure.

19. LITIGATION STATEMENT

There are no legal or arbitration proceedings which may have, or have during the 12 months preceding the date of this circular, had a material effect on the financial position of the Arrowhead group. Arrowhead is not aware of any other proceedings that would have a material effect on the financial position of the Arrowhead group or which are pending or threatened against the Arrowhead group.

20. COSTS

The following expenses and provisions are expected, or have been provided for by Arrowhead in connection with the restructure. All the fees payable to the parties below are exclusive of VAT:

	Payable to	R
Corporate advisor and sponsor fees	Java Capital	75 000
Legal fees	Cliffe Dekker Hofmeyr	80 000
Tax advisory fees	Java Capital	40 870
Printing and other costs	Ince	130 000
JSE documentation fees	JSE	25 426
Total		351 296

21. CONSENTS

The corporate advisor, tax advisor, sponsor, legal advisor, company secretary and the transfer secretaries have each consented in writing to act in the capacities stated and to their names being stated in this circular and, where applicable, to the inclusion of their reports in the form and context in which they have been reproduced in this circular, and have not, prior to the last practicable date, withdrawn their consents.

22. EXISTING AND NEW MOI: INCORPORATION BY REFERENCE

22.1 The following information relating to Arrowhead is incorporated in this circular by reference:

Paragraph where information is referred to	Nature of information	Accessible at
8	Existing MoI	Copies can be viewed on the Arrowhead website at http://www.arrowheadproperties.co.za/arrowhead/memorandum-of-incorporation.php
8	New MoI	Copies can be viewed on the Arrowhead website at http://www.arrowheadproperties.co.za/arrowhead/memorandum-of-incorporation.php

22.2 The information referenced in this paragraph 22 is available for inspection by Arrowhead shareholders at the registered office of Arrowhead (2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196) and the offices of the sponsor (6A Sandown Valley Crescent, Sandton, 2196), at no charge and at any time during normal business hours on business days from Friday, 18 December 2015 until Thursday, 28 January 2016.

22.3 Where information has materially changed since publication and the last practicable date, any changes have been disclosed.

23. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the registered office of Arrowhead from the date of issue of this circular up to and including the date of the general meetings:

23.1 the existing MoI;

23.2 the new MoI;

23.3 the signed consent letters referred to in paragraph 21 above; and

23.4 a signed copy of this circular.

Signed on behalf of the Arrowhead board

Gerald Leissner

Chief executive officer

EXTRACT OF SECTION 164 OF THE COMPANIES ACT

164. Dissenting shareholders appraisal rights

- (1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to –
 - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.
- (4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who:
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither:
 - (i) withdrawn that notice; or
 - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if:
 - (a) the shareholder:
 - (i) sent the company a notice of objection, subject to subsection (6); and
 - (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (b) the company has adopted the resolution contemplated in subsection (2); and
 - (c) the shareholder:
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within:
 - (a) 20 business days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state:

[Words preceding para. (a) substituted by s. 103 of Act 3/2011]

 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.

- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
- (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- [Para. (c) substituted by s. 103 of Act 3/2011]
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of:
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11):
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12):
- (a) the shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and:
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14):
- (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) the court:
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);
 - (iii) in its discretion may:

- (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
- (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;
- (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and
- (v) must make an order requiring:
 - (aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and

[Item (aa) substituted by s. 103 of Act 3/2011]

- (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.

(15A) At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case:

- (a) that shareholder must comply with the requirements of subsection 13(a); and
- (b) the company must comply with the requirements of subsection 13(b).

[Subs. (15A) inserted by s. 103 of Act 3/2011]

(16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.

(17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:

- (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and
- (b) the court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.

(18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.

(19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:

- (a) the provisions of that section; or
- (b) the application by the company of the solvency and liquidity test set out in section 4.

(20) Except to the extent:

- (a) expressly provided in this section; or
- (b) that the Panel rules otherwise in a particular case, a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

[Subs. (20) inserted by s. 103 of Act 3/2011]

EXTRACTS FROM THE NEW MOI

1. INTERPRETATION

- 1.1 In this Memorandum of Incorporation, unless the context clearly indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings:
- 1.1.1 “**Act**” means the Companies Act, No. 71 of 2008, as amended, consolidated or re-enacted from time to time, and includes all schedules to such Act and the Regulations;
 - 1.1.2 “**Board**” means the board of Directors from time to time of the Company or if there is only one Director, then that Director;
 - 1.1.3 “**Certificated Securities**” means Securities evidenced by a certificate, as contemplated in section 1 of the Financial Markets Act;
 - 1.1.4 “**Central Securities Depository**” has the meaning as defined in the Financial Markets Act;
 - 1.1.5 “**Commission**” means the Companies and Intellectual Property Commission established by section 185 of the Act;
 - 1.1.6 “**Company**” means the company named on the first page of this document, duly incorporated under the registration number endorsed thereon;
 - 1.1.7 “**Director**” means a member of the board of the Company as contemplated in section 66 of the Act, or an alternate director, and includes any person occupying the position of a director or alternate director, by whatever name designated;
 - 1.1.8 “**Electronic Communication**” has the meaning set out in section 1 of the Electronic Communications and Transactions Act, No. 25 of 2002;
 - 1.1.9 “**Equity Securities**” shall have the meaning ascribed thereto in the JSE Listings Requirements;
 - 1.1.10 “**File**” or “**Filed**” when used as a verb, means to deliver a document to the Commission in the manner and form, if any, prescribed for that document;
 - 1.1.11 “**Financial Markets Act**” means the Financial Markets Act, No. 19 of 2012, including any amendment, consolidation or re-enactment thereof;
 - 1.1.12 “**IFRS**” means the International Financial Reporting Standards, as adopted from time to time by the International Accounting Standards Board;
 - 1.1.13 “**JSE**” means the exchange, licensed under the Financial Markets Act, operated by JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in the Republic;
 - 1.1.14 “**JSE Listings Requirements**” means the Listings Requirements of the JSE applicable from time to time;
 - 1.1.15 “**Ordinary Share**” means an ordinary share of no par value in the share capital of the Company, having the rights and privileges set out in clause 7;
 - 1.1.16 “**Ordinary Shareholder**” means the holder of an Ordinary Share who is entered as such in the Securities Register, subject to the provisions of section 57 of the Act;
 - 1.1.17 “**Participant**” has the meaning as defined in the Financial Markets Act;
 - 1.1.18 “**Prescribed Officer**” means a person who, within the Company, performs any function that has been designated by the Minister (as defined in the Act) in terms of section 66(10) of the Act;
 - 1.1.19 “**Regulations**” means the regulations published in terms of the Act from time to time;
 - 1.1.20 “**Republic**” means the Republic of South Africa;
 - 1.1.21 “**Securities**” means:
 - 1.1.21.1 any shares, notes, bonds, debentures or other instruments, irrespective of their form or title, issued, or authorised to be issued, by the Company; or

- 1.1.21.2 anything falling within the meaning of “securities” as defined in the Financial Markets Act, and includes shares held in a private company;
- 1.1.22 “**Securities Register**” means the register of issued Securities of the Company required to be established in terms of section 50(1) of the Act and referred to in clause 8 hereof, which for the avoidance of doubt includes the Uncertificated Securities Register;
- 1.1.23 “**SENS**” means the Stock Exchange News Service established and operated by the Issuer Regulation Division of the JSE;
- 1.1.24 “**Share**” means one of the units into which the proprietary interest in the Company is divided, and includes an Ordinary Share;
- 1.1.25 “**Shareholder**” means the holder of a Share who is entered as such in the Securities Register, subject to the provisions of section 57 of the Act, and includes an Ordinary Shareholder;
- 1.1.26 “**Solvency and Liquidity Test**” has the meaning attributed thereto in section 4 of the Act;
- 1.1.27 “**Uncertificated Securities**” means any “securities” defined in the Financial Markets Act; and
- 1.1.28 “**Uncertificated Securities Register**” means the record of Uncertificated Securities administered and maintained by a Participant or Central Securities Depository, as determined in accordance with the rules of the Central Securities Depository.

7. ISSUE OF SHARES AND VARIATION OF RIGHTS

- 7.1 The Company is authorised to issue 2 000 000 000 Ordinary Shares of the same class, each of which ranks *pari passu* (which shall have the meaning ascribed thereto in paragraph 3.29 of the JSE Listings Requirements or any amendment or substitute paragraph in the JSE Listings Requirements) in respect of all rights and entitles the Ordinary Shareholder to:
 - 7.1.1 attend, participate in, speak at and vote on any matter to be decided by the Shareholders and to 1 (one) vote in the case of a vote by means of a poll;
 - 7.1.2 participate proportionally in any distribution made by the Company and which is not made to the holders of another class of Shares in accordance with the preferences and rights of such class of Shares (and except for the payment *in lieu* of a capitalisation share as contemplated in section 47(1)(c) of the Act and any consideration payable by the Company for any of its own Shares or for any shares of another company within the same group as contemplated in paragraph a(iii)(aa) and a(iii)(bb) of the definition of “distribution” in the Act); and
 - 7.1.3 receive proportionally the net assets of the Company upon its liquidation; and
 - 7.1.4 any other rights attaching to the Ordinary Shares in terms of the Act or any other law.
- 7.2 The Board shall not have the power to:
 - 7.2.1 create any class of Shares;
 - 7.2.2 increase or decrease the number of authorised Shares of any class of the Company’s Shares;
 - 7.2.3 consolidate and reduce the number of the Company’s issued and authorised Shares of any class;
 - 7.2.4 subdivide its Shares of any class by increasing the number of its issued and authorised Shares of that class without an increase of its capital;
 - 7.2.5 convert one class of Shares into one or more other classes, save where a right of conversion attaches to the class of Shares created;
 - 7.2.6 reclassify any classified Shares that have been authorised but not issued;
 - 7.2.7 classify any unclassified Shares that have been authorised but not issued; or
 - 7.2.8 vary any preference rights, limitations or other terms attaching to any class of shares,

and such powers shall only be capable of being exercised by the Shareholders by way of a special resolution adopted by the Shareholders and an amendment to the Memorandum of Incorporation.

- 7.3 The Company has the power, subject to the authority of a special resolution as contemplated in clause 7.2, to subdivide its Shares of any class. Such subdivision may be effected through a mere splitting of, and consequential increase in, the authorised and issued Shares of the relevant class, and without an issue of new Shares and an increase of its capital.
- 7.4 Each Share issued by the Company has associated with it an irrevocable right of the holder thereof to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that Share. The variation of any preferences, rights, limitations and other terms associated with any class of Shares as set out in this Memorandum of Incorporation may be enacted only by an amendment of this Memorandum of Incorporation approved by special resolution adopted by the Shareholders. If any amendment of the Memorandum of Incorporation relates to the variation of any preferences, rights, limitation or any other terms attaching to any other class of Shares already in issue, that amendment must not be implemented without a further special resolution, taken by the holders of Shares of that class at a separate meeting. In such instances, the holders of such Shares will also be allowed to vote at the meeting of Shareholders subject to clause 21.11. No resolution of Shareholders in respect of such amendment shall have any effect, unless a special resolution of the holders of the Shares of that class also approves the amendment.
- 7.5 The authorisation and classification of Shares, the creation of any class of Shares, the conversion of one class of Shares into one or more other classes, the consolidation of Securities, the subdivision of Securities, the change of the name of the Company, the increase of the number of authorised Securities, and, subject to clause 7.4, the variation of any preferences, rights, limitations and other terms associated with each class of Shares as set out in this Memorandum of Incorporation may be changed only by an amendment of this Memorandum of Incorporation by special resolution of the Shareholders and in accordance with the JSE Listings Requirements, to the extent required, save if such an amendment is ordered by a court in terms of sections 16(1)(a) and 16(4) of the Act.
- 7.6 No Shares of any class may be authorised in respect of which the preferences, rights, limitations or any other terms may be varied (and no such resolution may be proposed to Shareholders for rights to include such variation) in response to any objectively ascertainable external fact or facts, as contemplated in sections 37(6) and 37(7) of the Act.
- 7.7 The Company may only issue Shares which are fully paid up and freely transferable and only within the classes and to the extent that those Shares have been authorised by or in terms of this Memorandum of Incorporation.
- 7.8 Subject to clauses 7.10 and 7.15, the Board may not issue unissued Ordinary Shares unless such Ordinary Shares have first been offered to existing Ordinary Shareholders in proportion to their shareholding (on such terms and in accordance with such procedures as the Board may determine), unless the relevant issue of Ordinary Shares:
- 7.8.1 is a capitalisation issue; or
 - 7.8.2 is for the acquisition of assets, is a vendor consideration placing related to an acquisition of assets, or is an issue for the purposes of an amalgamation or merger; or
 - 7.8.3 is an issue pursuant to options or conversion rights; or
 - 7.8.4 is an issue in terms of an approved share incentive scheme; or
 - 7.8.5 is an issue of shares for cash (as contemplated in the JSE Listings Requirements), which has been approved by the Shareholders by ordinary resolution, either by way of a general authority (which may be either conditional or unconditional) to issue Shares in its discretion or a specific authority in respect of any particular issue of Shares, in accordance with the JSE Listings Requirements, provided that, if such approval is in the form of a general authority to the Directors, it shall be valid only until the next annual general meeting of the Company or for 15 months from the date of the passing of the ordinary resolution, whichever is the earlier, and it may be varied or revoked by any general meeting of the Shareholders prior to such annual general meeting; or
 - 7.8.6 otherwise falls within a category in respect of which it is not, in terms of the JSE Listings Requirements, a requirement for the relevant Shares to be so offered to existing Ordinary Shareholders; or
 - 7.8.7 is otherwise undertaken in accordance with an authority approved by Shareholders in general meeting, provided that if any entitlement to a fraction of an Ordinary Share arises pursuant to such an offer, the rounding principle will apply (that is, an entitlement to a fraction of an Ordinary Share that is less than one-half of a Share will be rounded down to the nearest whole number, and an entitlement to a fraction of a Share that is equal to or greater than one-half of an Ordinary Share will be rounded up to the nearest whole number). After the expiration

of the time within which an offer may be accepted, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Ordinary Shares offered, the Directors may, subject to the foregoing provisions, issue such Ordinary Shares in such manner as they consider most beneficial to the Company.

- 7.9 The Directors may exclude any Shareholders or category of Shareholders from an offer contemplated in clause 7.8 if and to the extent that they consider it necessary or expedient to do so because of legal impediments or compliance with the laws or the requirements of any regulatory body of any territory, outside of South Africa, that may be applicable to the offer.
- 7.10 The Board may, subject to clauses 7.8 and 7.14, issue Shares at any time, but only:
- 7.10.1 within the classes and to the extent that those Shares have been authorised by or in terms of this Memorandum of Incorporation; and
 - 7.10.2 to the extent that the authority of the Board to deal with the authorised but unissued share in the capital of the Company has not been specifically limited by an ordinary resolution adopted by the Shareholders.
- 7.11 Alterations of share capital, authorised shares and rights attaching to a class(es) of Shares, all issues of Shares for cash and all issues of options and convertible securities granted or issued for cash must, in addition to the foregoing provisions, be undertaken in accordance with the JSE Listings Requirements.
- 7.12 All Securities of the Company for which a listing is sought on the JSE and all Securities of the same class as Securities of the Company which are listed on the JSE must, notwithstanding the provisions of section 40(5) of the Act, but unless otherwise required by the Act, only be issued after the Company has received the consideration approved by the Company for the issuance of such Securities.
- 7.13 Subject to sections 40(5) to 40(7) of the Act, when the Company has received the consideration approved by the Board for the issuance of any Shares:
- 7.13.1 those Shares are fully paid up; and
 - 7.13.2 the Company must issue those Shares and cause the name of the holder to be entered into the Company's Securities Register in accordance with sections 49 to 56 of the Act.
- 7.14 Notwithstanding anything to the contrary contained in this Memorandum of Incorporation, any issue of Shares, Securities convertible into Shares, or rights exercisable for Shares in a transaction, or a series of integrated transactions shall, if and to the extent that this may be required in terms of section 41(3) of the Act, require the approval of the Shareholders by special resolution if the voting power of the class of Shares that are issued or are issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% of the voting power of all the Shares of that class held by Shareholders immediately before that transaction or series of integrated transactions.
- 7.15 Except to the extent that any such right is specifically included as one of the rights, preferences or other terms upon which any class of Shares is issued or as may otherwise be provided in this Memorandum of Incorporation (as is set out in clause 7.8), no Shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional Shares issued by the Company.

13. CAPITALISATION SHARES

- 13.1 Provided such transaction(s) has/have been approved by the JSE, if so required under the JSE Listings Requirements (and the JSE Listings Requirements have been complied with), the Board shall, in accordance with section 47, have the power or authority to:
- 13.1.1 approve the issuing of any authorised Shares as capitalisation Shares, on a *pro rata* basis to the Shareholders of one or more classes of Shares;
 - 13.1.2 to issue Shares of one class as capitalisation Shares in respect of Shares of another class; or
 - 13.1.3 to resolve to permit Shareholders to elect to receive a cash payment in lieu of a capitalisation Share, or a Scrip Dividend (as defined in the JSE Listings Requirements), at a value determined by the Board,
- and accordingly, this Memorandum of Incorporation does not limit, restrict or qualify the authority of the Board to do so.

15. FINANCIAL ASSISTANCE

The Board may authorise the Company to provide financial assistance by way of loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or any Securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any such Securities, as set out in section 44, subject to the passing of the necessary special resolutions and the authority of the Board in this regard is not limited or restricted by this Memorandum of Incorporation.

16. ACQUISITION BY THE COMPANY OF ITS OWN SHARES

16.1 Subject to the JSE Listings Requirements, and in accordance with and subject to the provisions of section 48, and subject to the further provisions of this clause 16:

16.1.1 the Board may determine that the Company acquires a number of its own Shares; and

16.1.2 the board of any subsidiary of the Company may determine that such subsidiary acquire Shares, but:

16.1.2.1 not more than 10% (ten percent), in aggregate, of the number of issued Shares of any class may be held by, or for the benefit of, all of the subsidiaries of the Company, taken together; and

16.1.2.2 no voting rights attached to those Shares may be exercised while the Shares are held by that subsidiary and it remains a subsidiary of the Company.

23. SHAREHOLDERS RESOLUTIONS

23.1 For an ordinary resolution to be approved it must be supported by more than 50% (fifty percent) of the voting rights of Shareholders exercised on the resolution by all Shareholders present in person, or represented by proxy, as provided in section 65(7). Notwithstanding the foregoing, to the extent that the JSE Listings Requirements require the support of a higher percentage of voting rights to be exercised in respect of any ordinary resolution, the Company shall not implement such ordinary resolution unless such ordinary resolution is supported by the higher percentage of voting rights of Shareholders required to be exercised on that resolution in terms of the JSE Listings Requirements.

23.2 For a special resolution to be approved it must be supported by the holders of at least 75% (seventy five percent) of the voting rights exercised on the resolution by all Shareholders present in person, or represented by proxy, as provided in section 65(9).

25. COMPOSITION AND POWERS OF THE BOARD OF DIRECTORS

25.1 In addition to the minimum number of Directors, if any, that the Company must have to satisfy any requirement in terms of the Act to appoint an audit committee, or a social and ethics committee, the Board must comprise at least 4 (four) Directors. The Shareholders shall be entitled by ordinary resolution to determine such maximum number of Directors as they from time to time shall consider appropriate.

25.2 Subject to clauses 25.3, 25.4 and 25.5 all Directors shall be elected by an ordinary resolution of the Shareholders at a general or annual general meeting of the Company and no appointment of a Director in accordance with a resolution passed in terms of section 60 of the Act shall be valid.

25.3 Subject to the requirements of the Act, the chairman of the Board or the chief executive officer shall be entitled, subject to the written approval of the majority of the Directors, to appoint any person as a Director in terms of section 66(4)(a)(i), provided that such appointment must be approved by the Shareholders at the next Shareholders meeting or annual general meeting.

25.4 The authority of the Board to fill a vacancy on the Board on a temporary basis, as set out in section 68(3) is not limited or restricted by this Memorandum of Incorporation provided that any Directors so appointed must resign at the next annual general meeting of the Company and may make themselves available for election by the Shareholders at such annual general meeting of the Company.

- 25.5 Accordingly, the Board shall have the power at any time and from time to time to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board.
- 25.11 The Company may by ordinary resolution in accordance with clause 25.10.8 and section 71(2), remove any Director before the expiration of his period of office and by an ordinary resolution elect another person in his stead. The person so elected shall hold office until the next annual general meeting of the Company and shall then retire and be eligible for re-election.
- 25.12 No Director shall be appointed for life or for an indefinite period and the Directors shall rotate in accordance with the following provisions:
- 25.12.1 at each annual general meeting referred to in clause 19.4, 1/3 (one third) of the Directors for the time being (both executive and non-executive), or if their number is not three or a multiple of three, the number nearest to 1/3, but not less than 1/3, shall retire from office, provided also that at least 1/3 (one third) of the non-executive Directors for the time being, or if their number is not three or a multiple of three, the number nearest to 1/3, but not less than 1/3, shall retire from office;
- 25.12.2 the Directors to retire in every year are, firstly those who have been appointed to fill a casual vacancy or an additional appointment to the Board, and secondly those who have been longest in office since their last election, but as between persons who were elected as Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot. Notwithstanding the foregoing, if at the date of any annual general meeting, any:
- 25.12.2.1 Director will have held office for a period of 3 (three) years since his last election or appointment; or
- 25.12.2.2 non-executive Director will have held office for an aggregate period of 9 (nine) years since his first election or appointment,
- then such Director shall retire at such annual general meeting, either as one of the Directors to retire in pursuance to the foregoing or additionally thereto;
- 25.12.3 a retiring Director may be re-elected, provided he is eligible for election. If elected or re-elected he shall be deemed not to have vacated his office;
- 25.12.4 a retiring Director shall act as Director throughout the annual general meeting at which he retires;
- 25.12.5 the Company, at the annual general meeting at which a Director retires in the above manner, or at any other general meeting, may fill the vacancy by electing a person thereto, provided that the Company shall not be entitled to fill the vacancy by means of a resolution passed in accordance with the provisions of section 60 of the Act as set out in clause 24; and
- 25.12.6 if at any meeting at which an election of Directors ought to take place the offices of the retiring Directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the further provisions of this Memorandum of Incorporation, including clauses 19.13 to 19.14.1 (inclusive) will apply *mutatis mutandis* to such adjournment, and if at such adjourned meeting the vacancies are not filled, the retiring Directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting.

29. CHIEF EXECUTIVE OFFICER

- 29.1 The directors may from time to time appoint 1 (one) or more of their body to the office of chief executive officer for such term and at such remuneration as they may think fit, and may revoke such appointment subject to the terms of any agreement entered into in any particular case, provided that the period of office of a chief executive officer appointed in terms of an agreement shall be for a maximum period of 5 (five) years at any one time. A director so appointed shall be subject to retirement in the same manner as the other directors.
- 29.2 Subject to the provisions of any contract between himself and the company, a chief executive officer shall be subject to the same provisions as to disqualification and removal as the other directors of the company.

35. DISTRIBUTIONS

- 35.1 Subject to the provisions of the Act, and particularly section 46, the Company may make a proposed distribution if such distribution:
- 35.1.1 is pursuant to an existing legal obligation of the Company, or a court order; or
 - 35.1.2 is authorised by resolution of the Board,
and is effected in compliance with the JSE Listings Requirements.
- 35.2 Distributions may be declared either free of or subject to the deduction of income tax and any other tax or duty in respect of which the Company may be chargeable.
- 35.3 No distribution shall bear interest against the Company, except as otherwise provided under the conditions of issue of the Shares in respect of which such distribution is payable.
- 35.4 The Directors may from time to time declare and pay to the Ordinary Shareholders such interim distributions as the Directors consider to be appropriate.

40. AMENDMENT OF MEMORANDUM OF INCORPORATION

- 40.1 Every provision of this Memorandum of Incorporation is capable of amendment in accordance with sections 16, 17 and 152(6)(b). There is accordingly no provision of this Memorandum of Incorporation which may not be amended as contemplated in sections 15(2)(b) and (c).
- 40.2 This Memorandum of Incorporation may only be altered or amended by way of a special resolution in accordance with section 16(1)(c), except if such amendment is in compliance with a Court order as contemplated in sections 16(1)(a) and 16(4).

41. WINDING UP

- 41.1 If the Company be wound up, the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall be distributed amongst the Ordinary Shareholders in proportion to the number of Ordinary Shares respectively held by each of them, provided that the provisions of this clause shall be subject to the rights of the holders of Shares (if any) issued upon special conditions.
- 42.2 In a winding-up, any part of the assets of the Company, including any shares or securities of other companies may, with the sanction of a special resolution of the Company, be paid to the Shareholders of the relevant class *in specie*, or may, with the same sanction, be vested in trustees for the benefit of such Shareholders, and the liquidation of the Company may be closed and the Company dissolved.

**SHARE PRICE AND TRADING HISTORY OF ARROWHEAD PROPERTIES LIMITED
A SHARES**

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value (R)
Monthly					
2014					
November	893	783	880	24 271 905	198 833 391
December	970	871	935	13 886 871	125 038 320
2015					
January	1 020	905	990	7 135 725	67 951 332
February	1 020	883	980	6 238 513	60 421 407
March	1 048	944	1 006	27 099 548	263 210 511
April	1 055	965	996	96 910 249	126 708 472
May	1 030	950	975	12 147 376	120 910 852
June	981	902	950	9 774 013	91 758 569
July	1 024	921	957	17 762 372	171 780 948
August	988	925	970	8 987 156	86 371 869
September	1 001	909	960	6 060 703	58 359 162
October	1 035	946	990	5 636 916	55 348 767
Daily					
2015					
2 November	1 019	1 010	1 011	31 040	314 306
3 November	1 008	1 000	1 005	103 366	1 037 500
4 November	1 005	984	991	582 198	5 837 745
5 November	996	985	995	450 780	4 482 650
6 November	1 006	980	980	576 586	5 736 672
9 November	985	961	969	78 312	766 265
10 November	979	950	963	204 550	1 983 533
11 November	963	945	961	921 604	8 811 945
12 November	991	950	985	241 188	2 351 534
13 November	995	958	978	221 013	2 162 979
16 November	985	958	970	99 549	966 636
17 November	970	948	965	332 590	3 199 822
18 November	960	950	955	302 570	2 899 379
19 November	985	956	969	110 721	1 073 883
20 November	989	961	961	42 151	412 049
23 November	998	960	980	126 019	1 234 910
24 November	982	966	970	272 373	2 643 886
25 November	965	947	950	362 993	3 453 536
26 November	974	950	953	159 387	1 519 117
27 November	953	931	940	443 202	4 192 383
30 November	940	930	940	285 276	2 675 296
1 December	945	931	936	171 633	1 610 311
2 December	940	861	900	515 008	4 778 014
3 December	937	891	895	656 060	5 904 892
4 December	899	865	895	293 390	2 617 384
7 December	903	830	875	1 002 608	8 754 015
8 December	894	860	889	194 371	1 704 326
9 December	912	884	895	155 147	1 391 812
10 December	895	804	808	399 311	3 450 390

SHARE PRICE AND TRADING HISTORY OF ARROWHEAD PROPERTIES LIMITED B SHARES

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value (R)
Monthly					
2014					
November	898	770	882	24 980 784	204 841 324
December	950	870	940	14 959 777	134 503 783
2015					
January	1 025	906	990	5 208 106	50 253 605
February	1 000	913	980	11 701 342	113 155 024
March	1 033	950	1 010	25 472 171	247 751 575
April	1 044	984	1 008	10 224 636	102 917 034
May	1 038	925	970	9 993 634	99 155 881
June	989	860	949	15 826 199	148 588 869
July	994	925	970	12 804 935	123 713 490
August	990	916	965	8 599 883	82 511 333
September	1 010	907	955	4 969 259	47 693 500
October	1 084	951	1 000	6 931 790	68 628 411
Daily					
2015					
2 November	1 020	999	1 005	158 343	1 600 267
3 November	1 010	1 000	1 000	2 336 530	23 480 799
4 November	1 002	986	997	1 000 460	10 006 788
5 November	999	991	995	718 450	7 148 607
6 November	1 000	967	967	738 377	7 337 570
9 November	980	950	955	211 969	2 030 971
10 November	994	940	962	553 457	5 292 269
11 November	970	940	950	107 620	1 026 196
12 November	980	950	974	197 504	1 919 561
13 November	997	876	955	305 586	2 908 891
16 November	959	940	941	277 169	2 631 937
17 November	966	935	952	542 510	5 151 397
18 November	960	936	936	170 775	1 624 096
19 November	969	941	959	214 202	2 051 429
20 November	970	950	957	64 951	625 414
23 November	970	955	970	103 101	992 854
24 November	970	952	960	974 604	9 346 121
25 November	955	940	942	254 023	2 401 672
26 November	950	941	941	29 200	275 606
27 November	945	924	924	125 758	1 182 088
30 November	940	925	940	135 439	1 266 465
1 December	941	920	940	2 053 038	19 295 461
2 December	940	860	915	504 328	4 662 667
3 December	920	883	890	240 516	2 154 010
4 December	909	883	890	225 949	2 019 944
7 December	888	858	880	832 853	7 186 262
8 December	896	830	896	798 204	6 903 482
9 December	895	865	892	207 596	1 841 009
10 December	860	819	820	310 549	2 633 999



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)
 (Registration number 2011/000308/06)
 JSE share codes: AWA ISIN: ZAE000203105
 AWB ISIN: ZAE000203113
 (Approved as a REIT by the JSE)
 (“Arrowhead” or “the company”)

NOTICE OF COMBINED GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that a combined general meeting of Arrowhead shareholders will be held at the offices of Arrowhead, 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 at 10:00 on Thursday, 28 January 2016, for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions set out below.

Arrowhead shareholders are referred to the circular, which sets out the information and explanatory material that they may require in order to determine whether to participate in the combined general meeting and seek to influence the outcome of the vote on the resolutions set out below.

Take note

Where appropriate and applicable, the terms defined in the circular to which this notice of combined general meeting is attached and forms part of bear the same meanings in this notice of combined general meeting, and in particular, in the resolutions set out below.

In terms of section 62(3)(e) of the Companies Act:

- a shareholder who is entitled to attend and vote at the combined general meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the combined general meeting in the place of the shareholder;
- a proxy need not be a shareholder of the company;
- shareholders recorded in the register of the company on the voting record date (including shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the combined general meeting. In this regard, all shareholders recorded in the registers of the company on the voting record date will be required to provide identification satisfactory to the chairman of the combined general meeting. Forms of identification include valid identity documents, drivers’ licences and passports.

Important dates to note	2016
Last day to trade in order to be eligible to participate in and vote at the combined general meeting	Friday, 15 January
Voting record date	Friday, 22 January
Last day to lodge forms of proxy in respect of the combined general meeting with the transfer secretaries, by 10:00	Tuesday, 26 January
The combined general meeting at 10:00	Thursday, 28 January
Results of the combined general meeting released on SENS	Thursday, 28 January
Results of the combined general meeting published in the press	Friday, 29 January
Last date for Arrowhead to send notice of the approval of the adoption of the new MoI to shareholders who qualify to receive such notice in terms of section 164(4) of the Companies Act (if any)	Thursday, 11 February
Last date for shareholders to deliver a written notice to the company demanding that the company pay the shareholder the fair value for all of the Arrowhead shares held by that shareholder in terms of section 164(7) of the Companies Act ¹	Thursday, 25 February

Notes:

1. This date applies to shareholders who objected to the adoption of the new MoI in terms of section 164(3) of the Companies Act before 10:00 on Thursday, 28 January 2016 and thereby qualify to receive notice of the adoption of the new MoI in terms of section 164(4) of the Companies Act and who actually receive notice on Friday, 29 January 2016. The date applicable to any specific shareholder should be determined in terms of section 164(7) of the Companies Act.
2. Arrowhead shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade. Therefore, shareholders who acquire Arrowhead shares after close of trade on Friday, 15 January 2016 will not be eligible to vote at the combined general meeting.
3. All dates and times in this notice are local dates and times in South Africa and are subject to change. Any changes will be released on SENS and published in the press.
4. Arrowhead shareholders are referred to page 2 of the circular for information on the action required to be taken by them.

SPECIAL RESOLUTION NUMBER 1: APPROVAL OF THE CONVERSION

“Resolved in terms of clause 8.1 and any other applicable provisions of the existing MoI, section 16(1) of the Companies Act and section 5.92 of the Listings Requirements that, subject to the fulfilment or waiver, where applicable, of the conditions precedent set out in paragraph 7 of the circular, the amendment of the rights, preferences, limitations and other terms applicable to the “B” shares such that they have the same rights, preferences, limitations and other terms as those which are applicable to the “A” shares, and thereby become and are classified as “A” shares, by way of an amendment to the existing MoI (being the conversion described in paragraph 5 of the circular), be approved and implemented.”

In order for special resolution number 1 to be adopted, the support of 75% or more of the voting rights exercised by Arrowhead shareholders, present in person or by proxy, is required. Only shareholders reflected in the register as such on the voting record date are entitled to vote on special resolution number 1.

SPECIAL RESOLUTION NUMBER 2: APPROVAL OF THE RECLASSIFICATION OF “A” SHARES

“Resolved that, subject to the fulfilment or waiver, where applicable, of the conditions precedent set out in paragraph 7 of the circular, that the reclassification of all authorised “A” shares (both issued and unissued, and including the former “B” shares) as ordinary shares, having the rights, preferences, limitations and other terms as set out in the new MoI, be and is hereby approved.”

In order for special resolution number 2 to be adopted, the support of 75% or more of the voting rights exercised by Arrowhead shareholders, present in person or by proxy, is required. Only shareholders reflected in the register as such on the voting record date are entitled to vote on special resolution number 2.

SPECIAL RESOLUTION NUMBER 3: APPROVAL OF THE ABROGATION OF THE EXISTING MoI IN ITS ENTIRETY AND THE ADOPTION OF THE NEW MoI

“Resolved in terms of clause 8.4 and any other applicable provisions of the existing MoI and section 16(1) of the Companies Act that, subject to the fulfilment or waiver, where applicable, of the conditions precedent set out in paragraph 7 of the circular, the existing MoI of the company be and is hereby abrogated and replaced in its entirety with the new MoI (which is hereby adopted), the salient features of which are included in **Annexure 2** of the circular and the full version of which can be accessed on Arrowhead’s website, www.arrowheadproperties.co.za or inspected at the registered office of the company and sponsor with effect from the date on which the circular was issued, which new MoI will take effect from the implementation date.”

In order for special resolution number 3 to be adopted, the support of 75% or more of the voting rights exercised by Arrowhead shareholders, present in person or by proxy, is required. Only shareholders reflected in the register as such on the voting record date are entitled to vote on special resolution number 3.

Arrowhead shareholders are advised that they may be entitled to seek relief in terms of section 164 in relation to the adoption of the new MoI. A complete extract of section 164 of the Companies Act is included in the circular as **Annexure 2**.

ORDINARY RESOLUTION NUMBER 1: GENERAL AUTHORITY

“Resolved that any director or the company secretary of Arrowhead be and are hereby authorised to do all such things and sign all such documents required to give effect to the special resolutions proposed above and passed at the combined general meeting at which this ordinary resolution is proposed.”

In order for ordinary resolution number 1 to be adopted, the support of more than 50% of the voting rights exercised by Arrowhead shareholders, present in person or by proxy is required. Only shareholders reflected in the register as such on the voting record date are entitled to vote on ordinary resolution number 1.

QUORUM

A quorum for the purposes of considering the shareholder resolutions above shall consist of three shareholders present in person or by proxy and entitled to vote at the combined general meeting. In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by Arrowhead shareholders in respect of each matter to be decided at the combined general meeting.

SHAREHOLDERS

General instructions

Shareholders are encouraged to attend, speak and vote at the general meeting.

Electronic participation

The company has made provision for Arrowhead shareholders or their proxies to participate electronically in the combined general meeting by way of telephone conferencing. Should you wish to participate in the combined general meeting by telephone conference call, you, or your proxy, will be required to advise the company thereof by no later than 10:00 on Tuesday, 26 January 2016, by submitting by email to the company secretary at nazli.reid@computershare.co.za relevant contact details, including an email address, cellular number and landline as well as full details of your title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated Arrowhead shares) or written confirmation from your CSDP confirming your title to the dematerialised Arrowhead shares (in the case of dematerialised Arrowhead shares). Upon receipt of the required information, you will be provided with a secure code and instructions to access the electronic communication during the combined general meeting. Arrowhead shareholders must note that access to the electronic communication will be at the expense of the Arrowhead shareholders who wish to utilise the facility.

Arrowhead shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the combined general meeting through this medium. Accordingly, shareholders making use of the electronic participation facility are requested to submit their forms of proxy to the company, as directed.

Proxies and authority for representatives to act

A form of proxy is attached for the convenience of any Arrowhead shareholder holding certificated shares, who is unable to attend the combined general meeting but wishes to be represented thereat.

The attached form of proxy is only to be completed by those shareholders who are:

- holding shares in certificated form; or
- recorded on the company's subregisters in dematerialised form with own name registration,

who are unable to attend the combined general meeting but wish to be represented thereat.

All other beneficial owners who have dematerialised their shares through a CSDP or broker without own name registration and who wish to attend the combined general meeting, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy.

Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive by 10:00 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the combined general meeting immediately before the commencement thereof. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the combined general meeting should the shareholder decide to do so.

A shareholder that is a company or other body corporate, wishing to attend and participate at the combined general meeting should ensure that a resolution authorising a representative to so attend and participate at the combined general meeting on its behalf is passed by its directors or other governing body. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company's transfer secretaries prior to the combined general meeting.

Arrowhead does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised shareholder to notify such shareholder of the combined general meeting or any business to be conducted thereat.

GENERAL NOTES

1. A shareholder entitled to attend and vote at the combined general meeting may appoint a proxy to attend, speak and vote in his or her stead. A proxy need not be a member of the company. See above for instructions as to proxies and authorities to act at the combined general meeting.
2. On a show of hands, any person present and entitled to vote shall only have one vote, irrespective of the number of shares he holds or represents.
3. On a poll, a shareholder who is present in person or represented by a proxy shall be entitled to one vote for each share of which he is the registered holder or representative.
4. A resolution put to the vote shall be decided by way of a poll.

By order of the board

Arrowhead Properties Limited

18 December 2015

Registered office

2nd Floor
18 Melrose Boulevard
Melrose Arch
Johannesburg, 2196



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

NOTICE OF GENERAL MEETING OF "A" SHAREHOLDERS

Notice is hereby given that a general meeting of Arrowhead "A" shareholders will be held at the offices of Arrowhead, 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 at the later of 10:10 and five minutes after the completion of the combined general meeting on Thursday, 28 January 2016, for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions set out below.

Arrowhead "A" shareholders are referred to the circular, which sets out the information and explanatory material that they may require in order to determine whether to participate in the general meeting of "A" shareholders and seek to influence the outcome of the vote on the resolutions set out below.

Take note

Where appropriate and applicable, the terms defined in the circular to which this notice of general meeting of "A" shareholders is attached and forms part of bear the same meanings in this notice of general meeting of "A" shareholders, and in particular, in the resolutions set out below.

In terms of section 62(3)(e) of the Companies Act:

- an "A" shareholder who is entitled to attend and vote at the general meeting of "A" shareholders is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the general meeting of "A" shareholders in the place of the "A" shareholder;
- a proxy need not be a shareholder of the company;
- "A" shareholders recorded in the register of the company on the voting record date (including shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the general meeting of "A" shareholders. In this regard, all shareholders recorded in the registers of the company on the voting record date will be required to provide identification satisfactory to the chairman of the general meeting of "A" shareholders. Forms of identification include valid identity documents, drivers' licenses and passports.

Important dates to note	2016
Last day to trade in order to be eligible to participate in and vote at the general meeting of "A" shareholders	Friday, 15 January
Voting record date	Friday, 22 January
Last day to lodge forms of proxy in respect of the general meeting of "A" shareholders with the transfer secretaries, by 10:10	Tuesday, 26 January
The general meeting of "A" shareholders at the later of 10:10 and five minutes after the completion of the combined general meeting	Thursday, 28 January
Results of the general meeting of "A" shareholders released on SENS	Thursday, 28 January
Results of the general meeting of "A" shareholders published in the press	Friday, 29 January

Notes:

1. Arrowhead shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade. Therefore, shareholders who acquire Arrowhead shares after close of trade on Friday, 15 January 2016 will not be eligible to vote at the general meeting of "A" shareholders.
2. All dates and times in this notice are local dates and times in South Africa and are subject to change. Any changes will be released on SENS and published in the press.
3. "A" shareholders are referred to page 2 of the circular for information on the action required to be taken by them.

SPECIAL RESOLUTION NUMBER 1: APPROVAL OF THE CONVERSION

"Resolved in terms of clause 8.4 and any other applicable provisions of the existing MoI that, subject to the fulfilment or waiver, where applicable, of the conditions precedent set out in paragraph 7 of the circular, the amendment of the rights, preferences, limitations and other terms applicable to the "B" shares such that they have the same rights, preferences, limitations and other terms as those which are applicable to the "A" shares, and thereby become and are classified as "A" shares (being the conversion described in paragraph 5 of the circular), be approved and implemented."

In order for special resolution number 1 to be adopted, the support of 75% or more of the voting rights exercised by "A" shareholders, present in person or by proxy, is required. Only "A" shareholders reflected in the register as such on the voting record date are entitled to vote on special resolution number 1.

ORDINARY RESOLUTION NUMBER 1: GENERAL AUTHORITY

"Resolved that any director or the company secretary of Arrowhead be and are hereby authorised to do all such things and sign all such documents required to give effect to the special resolution proposed above and passed at the general meeting of "A" shareholders at which this ordinary resolution is proposed."

In order for ordinary resolution number 1 to be adopted, the support of more than 50% of the voting rights exercised by "A" shareholders, present in person or by proxy is required. Only "A" shareholders reflected in the register as such on the voting record date are entitled to vote on ordinary resolution number 1.

QUORUM

A quorum for the purposes of considering the shareholder resolutions above shall consist of three "A" shareholders present in person or by proxy and entitled to vote at the general meeting of "A" shareholders. In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by "A" shareholders in respect of each matter to be decided at the general meeting of "A" shareholders.

SHAREHOLDERS**General instructions**

Shareholders are encouraged to attend, speak and vote at the general meeting of "A" shareholders.

Electronic participation

The company has made provision for "A" shareholders or their proxies to participate electronically in the general meeting of "A" shareholders by way of telephone conferencing. Should you wish to participate in the general meeting of "A" shareholders by telephone conference call, you, or your proxy, will be required to advise the company thereof by no later than 10:00 on Tuesday, 26 January 2016, by submitting by email to the company secretary at nazli.reid@computershare.co.za relevant contact details, including an email address, cellular number and landline as well as full details of your title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated Arrowhead shares) or written confirmation from your CSDP confirming your title to the dematerialised Arrowhead shares (in the case of dematerialised Arrowhead shares). Upon receipt of the required information, you will be provided with a secure code and instructions to access the electronic communication during the general meeting of "A" shareholders. Arrowhead shareholders must note that access to the electronic communication will be at the expense of the Arrowhead shareholders who wish to utilise the facility.

"A" shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the general meeting of "A" shareholders through this medium. Accordingly, shareholders making use of the electronic participation facility are requested to submit their forms of proxy to the company, as directed.

Proxies and authority for representatives to act

A form of proxy is attached for the convenience of any "A" shareholder holding certificated shares, who are unable to attend the general meeting of "A" shareholders but wishes to be represented thereat.

The attached form of proxy is only to be completed by those "A" shareholders who are:

- holding “A” shares in certificated form; or
 - recorded on the company’s subregisters in dematerialised electronic form with own name registration,
- who cannot attend the general meeting of “A” shareholders but wish to be represented thereat.

All other beneficial owners who have dematerialised their “A” shares through a CSDP or broker without own name registration and who wish to attend the general meeting of “A” shareholders, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy.

Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive no later than 10:10 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of “A” shareholders immediately before the commencement thereof. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of “A” shareholders should the shareholder decide to do so.

An “A” shareholder that is a company or other body corporate, wishing to attend and participate at the general meeting of “A” shareholders should ensure that a resolution authorising a representative to so attend and participate at the general meeting of “A” shareholders on its behalf is passed by its directors or other governing body. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company’s transfer secretaries prior to the general meeting of “A” shareholders.

Arrowhead does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised “A” shareholder to notify such shareholder of the general meeting of “A” shareholders or any business to be conducted thereat.

GENERAL NOTES

1. An “A” shareholder entitled to attend and vote at the general meeting of “A” shareholders may appoint a proxy to attend, speak and vote in his or her stead. A proxy need not be a member of the company. See above for instructions as to proxies and authorities to act at the general meeting of “A” shareholders.
2. On a show of hands, any person present and entitled to vote shall only have one vote, irrespective of the number of “A” shares he holds or represents.
3. On a poll, an “A” shareholder who is present in person or represented by a proxy shall be entitled to one vote for each share of which he is the registered holder or representative.
4. A resolution put to the vote shall be decided by way of a poll.

By order of the board

Arrowhead Properties Limited

18 December 2015

Registered office

2nd Floor
18 Melrose Boulevard
Melrose Arch
Johannesburg, 2196



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

NOTICE OF GENERAL MEETING OF "B" SHAREHOLDERS

Notice is hereby given that a general meeting of Arrowhead "B" shareholders will be held at the offices of Arrowhead, 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 at the later of 10:20 and five minutes after the completion of the general meeting of "A" shareholders on Thursday, 28 January 2016, for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions set out below.

Arrowhead "B" shareholders are referred to the circular, which sets out the information and explanatory material that they may require in order to determine whether to participate in the general meeting of "B" shareholders and seek to influence the outcome of the vote on the resolutions set out below.

Take note

Where appropriate and applicable, the terms defined in the circular to which this notice of general meeting of "B" shareholders is attached and forms part of bear the same meanings in this notice of general meeting of "B" shareholders, and in particular, in the resolutions set out below.

In terms of section 62(3)(e) of the Companies Act:

- a "B" shareholder who is entitled to attend and vote at the general meeting of "B" shareholders is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the general meeting of "B" shareholders in the place of the "B" shareholder;
- a proxy need not be a shareholder of the company;
- "B" shareholders recorded in the register of the company on the voting record date (including shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the general meeting of "B" shareholders. In this regard, all shareholders recorded in the registers of the company on the voting record date will be required to provide identification satisfactory to the chairman of the general meeting of "B" shareholders. Forms of identification include valid identity documents, drivers' licenses and passports.

Important dates to note

2016

Last day to trade in order to be eligible to participate in and vote at the general meeting of "B" shareholders	Friday, 15 January
Voting record date	Friday, 22 January
Last day to lodge forms of proxy in respect of the general meeting of "B" shareholders with the transfer secretaries, by 10:20	Tuesday, 26 January
The general meeting of "B" shareholders at the later of 10:20 and five minutes after the completion of the general meeting of "A" shareholders	Thursday, 28 January
Results of the general meeting of "B" shareholders released on SENS	Thursday, 28 January
Results of the general meeting of "B" shareholders published in the press	Friday, 29 January

Notes:

1. Arrowhead shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade. Therefore, shareholders who acquire Arrowhead shares after close of trade on Friday, 15 January 2016 will not be eligible to vote at the general meeting of “B” shareholders.
2. All dates and times in this notice are local dates and times in South Africa and are subject to change. Any changes will be released on SENS and published in the press.
3. “B” shareholders are referred to page 2 of the circular for information on the action required to be taken by them.

SPECIAL RESOLUTION NUMBER 1: APPROVAL OF THE CONVERSION

“Resolved in terms of clause 8.4 and any other applicable provisions of the existing MoI that, subject to the fulfilment or waiver, where applicable, of the conditions precedent set out in paragraph 7 of the circular, the amendment of the rights, preferences, limitations and other terms applicable to the “B” shares such that they have the same rights, preferences, limitations and other terms as those which are applicable to the “A” shares, and thereby become and are classified as “A” shares (being the conversion described in paragraph 5 of the circular), be approved and implemented.”

In order for special resolution number 1 to be adopted, the support of 75% or more of the voting rights exercised by “B” shareholders, present in person or by proxy, is required. Only “B” shareholders reflected in the register as such on the voting record date are entitled to vote on special resolution number 1.

ORDINARY RESOLUTION NUMBER 1: GENERAL AUTHORITY

“Resolved that any director or the company secretary of Arrowhead be and are hereby authorised to do all such things and sign all such documents required to give effect to the special resolution proposed above and passed at the general meeting of “B” shareholders at which this ordinary resolution is proposed.”

In order for ordinary resolution number 1 to be adopted, the support of more than 50% of the voting rights exercised by “B” shareholders, present in person or by proxy is required. Only “B” shareholders reflected in the register as such on the voting record date are entitled to vote on ordinary resolution number 1.

QUORUM

A quorum for the purposes of considering the shareholder resolutions above shall consist of three “B” shareholders present in person or by proxy and entitled to vote at the general meeting of “B” shareholders. In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by “B” shareholders in respect of each matter to be decided at the general meeting of “B” shareholders.

SHAREHOLDERS**General instructions**

Shareholders are encouraged to attend, speak and vote at the general meeting of “B” shareholders.

Electronic participation

The company has made provision for “B” shareholders or their proxies to participate electronically in the general meeting of “B” shareholders by way of telephone conferencing. Should you wish to participate in the general meeting of “B” shareholders by telephone conference call, you, or your proxy, will be required to advise the company thereof by no later than 10:00 on Tuesday, 26 January 2016, by submitting by email to the company secretary at nazli.reid@computershare.co.za relevant contact details, including an email address, cellular number and landline as well as full details of your title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated Arrowhead shares) or written confirmation from your CSDP confirming your title to the dematerialised Arrowhead shares (in the case of dematerialised Arrowhead shares). Upon receipt of the required information, you will be provided with a secure code and instructions to access the electronic communication during the general meeting of “B” shareholders. Arrowhead shareholders must note that access to the electronic communication will be at the expense of the Arrowhead shareholders who wish to utilise the facility.

“B” shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the general meeting of “B” shareholders through this medium. Accordingly, shareholders making use of the electronic participation facility are requested to submit their forms of proxy to the company, as directed.

Proxies and authority for representatives to act

A form of proxy is attached for the convenience of any “B” shareholder holding certificated shares, who are unable to attend the general meeting of “B” shareholders but wishes to be represented thereat.

The attached form of proxy is only to be completed by those “B” shareholders who are:

- holding “B” shares in certificated form; or
- recorded on the company’s subregisters in dematerialised form with own name registration,

who are unable to attend the general meeting of “B” shareholders but wish to be represented thereat.

All other beneficial owners who have dematerialised their “B” shares through a CSDP or broker without own name registration and who wish to attend the general meeting of “B” shareholders, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy.

Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive by 10:20 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of “B” shareholders immediately before the commencement thereof. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of “B” shareholders should the shareholder decide to do so.

A “B” shareholder that is a company or other body corporate, wishing to attend and participate at the general meeting of “B” shareholders should ensure that a resolution authorising a representative to so attend and participate at the general meeting of “B” shareholders on its behalf is passed by its directors or other governing body. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company’s transfer secretaries prior to the general meeting of “B” shareholders.

Arrowhead does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised “B” shareholder to notify such shareholder of the general meeting of “B” shareholders or any business to be conducted thereat.

GENERAL NOTES

1. A “B” shareholder entitled to attend and vote at the general meeting of “B” shareholders may appoint a proxy to attend, speak and vote in his or her stead. A proxy need not be a member of the company. See above for instructions as to proxies and authorities to act at the general meeting of “B” shareholders.
2. On a show of hands, any person present and entitled to vote shall only have one vote, irrespective of the number of “B” shares he holds or represents.
3. On a poll, a “B” shareholder who is present in person or represented by a proxy shall be entitled to one vote for each share of which he is the registered holder or representative.
4. A resolution put to the vote shall be decided by way of a poll.

By order of the board

Arrowhead Properties Limited

18 December 2015

Registered office

2nd Floor
18 Melrose Boulevard
Melrose Arch
Johannesburg, 2196



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

FORM OF PROXY

THIS FORM OF PROXY IS ONLY FOR USE BY:

- registered "A" and "B" shareholders who have not yet dematerialised their Arrowhead shares;
- registered "A" and "B" shareholders who have already dematerialised their Arrowhead shares and which shares are registered in their own names in the company's subregisters.

For completion by the aforesaid registered shareholders of Arrowhead who are unable to attend the combined general meeting of the company to be held at the offices of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 at 10:00 on Thursday, 28 January 2016.

If you are a dematerialised shareholder, other than with own name registration, do not use this form. Dematerialised shareholders, other than with own name registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (address)

Telephone number

Cellphone number

Email address

being the holder(s) of

Arrowhead "A" shares hereby appoint:

being the holder(s) of

Arrowhead "B" shares hereby appoint:

1.

or failing him/her

2.

of failing him/her

3. the chairman of the combined general meeting

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the combined general meeting and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the combined general meeting, and to vote on the resolutions in respect of the Arrowhead "A" and/or "B" shares registered in my/our name(s):

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

	Number of votes					
	*In favour of		*Against		*Abstain	
	A	B	A	B	A	B
Special resolution number 1: Approval of the conversion						
Special resolution number 2: Approval of the reclassification of "A" shares						
Special resolution number 3: Approval of the abrogation of the existing MoI in its entirety and adoption of the new MoI						
Ordinary resolution number 1: General authority						

One vote per share held by Arrowhead shareholders, recorded in the registers on the voting record date.

Unless otherwise instructed my proxy may vote or abstain from voting as he/she thinks fit.

Signed this _____ day of _____ 2016

Signature _____

Assisted by me (where applicable) _____

(State capacity and full name) _____

A shareholder entitled to attend and vote at the combined general meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a member of the company. Each shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the combined general meeting.

Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive by 10:00 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the combined general meeting immediately before the commencement thereof. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the combined general meeting of shareholders should the shareholder decide to do so.

Please read notes on the reverse side hereof

NOTES TO THE FORM OF PROXY:

1. Only shareholders who are registered in the registers of the company under their own name on the date on which shareholders must be recorded as such in the registers maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, being Friday, 22 January 2016 (the “**voting record date**”), may complete a form of proxy or attend the combined general meeting. This includes shareholders who have not dematerialised their shares or who have dematerialised their shares with own name registration. A proxy need not be a shareholder of the company.
2. Certificated shareholders wishing to attend the combined general meeting have to ensure beforehand with the transfer secretaries of the company (being Computershare Investor Services Proprietary Limited) that their shares are registered in their own name.
3. Beneficial shareholders whose shares are not registered in their own name, but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the combined general meeting.
4. Dematerialised shareholders who have not elected own name registration in the register of the company through a Central Securities Depository Participant (“**CSDP**”) and who wish to attend the combined general meeting, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.
5. Dematerialised shareholders who have not elected own name registration in the register of the company through a CSDP and who are unable to attend, but wish to vote at the combined general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
6. A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder’s choice in the space, with or without deleting “the chairman of the combined general meeting”. The person whose name stands first on the form of proxy and who is present at the combined general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form will not preclude the relevant shareholder from attending the combined general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the relevant shareholder as of the later of the date:
 - 8.1 stated in the revocation instrument, if any; or
 - 8.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act, 71 of 2008, as amended (the “**Companies Act**”).
9. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company’s Memorandum of Incorporation to be delivered by the company to the shareholder must be delivered by the company to:
 - 9.1 the shareholder; or
 - 9.2 the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation of the company or the instrument appointing the proxy provide otherwise.
11. If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument appointing a proxy:
 - 11.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - 11.2 the company must not require that the proxy appointment be made irrevocable; and
 - 11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the combined general meeting.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the company that wishes to attend and participate at the combined general meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company’s transfer secretaries prior to the combined general meeting.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the combined general meeting, that one of the said persons whose name appears first in the register of shareholders of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll a shareholder who is present in person or represented by a proxy shall be entitled to one vote in respect of each “A” share and/or “B” share he/she holds.
18. The chairman of the combined general meeting may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
19. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
20. A shareholder’s instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the combined general meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the combined general meeting or other proxy to vote or to abstain from voting at the combined general meeting as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.

21. Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive no later than 10:00 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the combined general meeting immediately before the commencement thereof. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the combined general meeting of shareholders should the shareholder decide to do so.
22. A quorum for purposes of considering the resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the combined general meeting. In addition, a quorum shall consist of three shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the combined general meeting.
23. This form of proxy may be used at any adjournment or postponement of the combined general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
24. The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

FORM OF PROXY

THIS FORM OF PROXY IS ONLY FOR USE BY:

- registered "A" shareholders who have not yet dematerialised their Arrowhead "A" shares;
- registered "A" shareholders who have already dematerialised their Arrowhead "A" shares and which shares are registered in their own names in the company's subregisters.

For completion by the aforesaid registered shareholders of Arrowhead who are unable to attend the general meeting of "A" shareholders to be held at the offices of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 at the later of 10:10 and five minutes after the completion of the combined general meeting on Thursday, 28 January 2016.

If you are a dematerialised "A" shareholder, other than with own name registration, do not use this form. Dematerialised "A" shareholders, other than with own name registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (address)

Telephone number

Cellphone number

Email address

being the holder(s) of

Arrowhead "A" shares hereby appoint:

1. _____ or failing him/her

2. _____ of failing him/her

3. the chairman of the general meeting of "A" shareholders

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the general meeting of "A" shareholders and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the general meeting of "A" shareholders, and to vote on the resolutions in respect of the Arrowhead "A" shares registered in my/our name(s):

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

	Number of votes		
	*In favour of	*Against	*Abstain
Special resolution number 1: Approval of the conversion			
Ordinary resolution number 1: General authority			

One vote per "A" share held by Arrowhead "A" shareholders, recorded in the registers on the voting record date.

Unless otherwise instructed my proxy may vote or abstain from voting as he/she thinks fit.

Signed this _____ day of _____ 2016

Signature _____

Assisted by me (where applicable) _____

(State capacity and full name) _____

An "A" shareholder entitled to attend and vote at the general meeting of "A" shareholders is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a member of the company. Each "A" shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the general meeting of "A" shareholders.

Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive by 10:10 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of "A" shareholders immediately before the commencement thereof. Any "A" shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of "A" shareholders of shareholders should the shareholder decide to do so.

Please read notes on the reverse side hereof

NOTES TO THE FORM OF PROXY:

1. Only "A" shareholders who are registered in the registers of the company under their own name on the date on which shareholders must be recorded as such in the registers maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, being Friday, 22 January 2016 (the "voting record date"), may complete a form of proxy or attend the general meeting of "A" shareholders. This includes "A" shareholders who have not dematerialised their "A" shares or who have dematerialised their "A" shares with own name registration. A proxy need not be a shareholder of the company.
2. Certificated "A" shareholders wishing to attend the general meeting of "A" shareholders have to ensure beforehand with the transfer secretaries of the company (being Computershare Investor Services Proprietary Limited) that their shares are registered in their own name.
3. Beneficial "A" shareholders whose shares are not registered in their own name, but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the general meeting of "A" shareholders.
4. Dematerialised "A" shareholders who have not elected own name registration in the register of the company through a Central Securities Depository Participant ("CSDP") and who wish to attend the general meeting of "A" shareholders, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.
5. Dematerialised "A" shareholders who have not elected own name registration in the register of the company through a CSDP and who are unable to attend, but wish to vote at the general meeting of "A" shareholders, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
6. An "A" shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairman of the general meeting of "A" shareholders". The person whose name stands first on the form of proxy and who is present at the general meeting of "A" shareholders will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form will not preclude the relevant "A" shareholder from attending the general meeting of "A" shareholders and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant "A" shareholder as of the later of the date:
 - 8.1 stated in the revocation instrument, if any; or
 - 8.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act, 71 of 2008, as amended (the "Companies Act").
9. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's Memorandum of Incorporation to be delivered by the company to the "A" shareholder must be delivered by the company to:
 - 9.1 the shareholder; or
 - 9.2 the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant "A" shareholder without direction, except to the extent that the Memorandum of Incorporation of the company or the instrument appointing the proxy provide otherwise.
11. If the company issues an invitation to "A" shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument appointing a proxy:
 - 11.1 such invitation must be sent to every "A" shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - 11.2 the company must not require that the proxy appointment be made irrevocable; and
 - 11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the general meeting of "A" shareholders.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the company that wishes to attend and participate at the general meeting of "A" shareholders should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company's transfer secretaries prior to the general meeting of "A" shareholders.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the general meeting of "A" shareholders, that one of the said persons whose name appears first in the register of "A" shareholders of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. On a show of hands, every "A" shareholder of the company present in person or represented by proxy shall have one vote only. On a poll a shareholder who is present in person or represented by a proxy shall be entitled to one vote in respect of each "A" share he/she holds.
18. The chairman of the general meeting of "A" shareholders may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a "A" shareholder wishes to vote.
19. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.

20. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the general meeting of "A" shareholders, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the general meeting of "A" shareholders or other proxy to vote or to abstain from voting at the general meeting of "A" shareholders as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
21. Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive no later than 10:10 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of "A" shareholders immediately before the commencement thereof. Any "A" shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of "A" shareholders should the shareholder decide to do so.
22. A quorum for purposes of considering the resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by "A" shareholders in respect of each matter to be decided at the general meeting of "A" shareholders. In addition, a quorum shall consist of three "A" shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the general meeting of "A" shareholders.
23. This form of proxy may be used at any adjournment or postponement of the general meeting of "A" shareholders, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
24. The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

FORM OF PROXY

THIS FORM OF PROXY IS ONLY FOR USE BY:

- registered "B" shareholders who have not yet dematerialised their Arrowhead "B" shares;
- registered "B" shareholders who have already dematerialised their Arrowhead "B" shares and which shares are registered in their own names in the company's subregisters.

For completion by the aforesaid registered shareholders of Arrowhead who are unable to attend the general meeting of "B" shareholders to be held at the offices of the company at 2nd Floor, 18 Melrose Boulevard, Melrose Arch, Johannesburg, 2196 at the later of 10:20 and five minutes after the completion of the general meeting of "A" shareholders on Thursday, 28 January 2016.

If you are a dematerialised "B" shareholder, other than with own name registration, do not use this form. Dematerialised "B" shareholders, other than with own name registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (address)

Telephone number

Cellphone number

Email address

being the holder(s) of

Arrowhead "B" shares hereby appoint:

1. _____ or failing him/her

2. _____ of failing him/her

3. the chairman of the general meeting of "B" shareholders

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the general meeting of "B" shareholders and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the general meeting of "B" shareholders, and to vote on the resolutions in respect of the Arrowhead "B" shares registered in my/our name(s):

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

	Number of votes		
	*In favour of	*Against	*Abstain
Special resolution number 1: Approval of the conversion			
Ordinary resolution number 1: General authority			

One vote per "B" share held by Arrowhead "B" shareholders, recorded in the registers on the voting record date.

Unless otherwise instructed my proxy may vote or abstain from voting as he/she thinks fit.

Signed this _____ day of _____ 2016

Signature

Assisted by me (where applicable)

(State capacity and full name)

A "B" shareholder entitled to attend and vote at the general meeting of "B" shareholders is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a member of the company. Each "B" shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the general meeting of "B" shareholders.

Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive by 10:20 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of "B" shareholders immediately before the commencement thereof. Any "B" shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of "B" shareholders of shareholders should the shareholder decide to do so.

Please read notes on the reverse side hereof

NOTES TO THE FORM OF PROXY:

1. Only “B” shareholders who are registered in the registers of the company under their own name on the date on which shareholders must be recorded as such in the registers maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, being Friday, 22 January 2016 (the “**voting record date**”), may complete a form of proxy or attend the general meeting of “B” shareholders. This includes “B” shareholders who have not dematerialised their “B” shares or who have dematerialised their “B” shares with own name registration. A proxy need not be a shareholder of the company.
2. Certificated “B” shareholders wishing to attend the general meeting of “B” shareholders have to ensure beforehand with the transfer secretaries of the company (being Computershare Investor Services Proprietary Limited) that their shares are registered in their own name.
3. Beneficial “B” shareholders whose shares are not registered in their own name, but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the general meeting of “B” shareholders.
4. Dematerialised “B” shareholders who have not elected own name registration in the register of the company through a Central Securities Depository Participant (“**CSDP**”) and who wish to attend the general meeting of “B” shareholders, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.
5. Dematerialised “B” shareholders who have not elected own name registration in the register of the company through a CSDP and who are unable to attend, but wish to vote at the general meeting of “B” shareholders, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
6. A “B” shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder’s choice in the space, with or without deleting “the chairman of the general meeting of “B” shareholders”. The person whose name stands first on the form of proxy and who is present at the general meeting of “B” shareholders will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form will not preclude the relevant “B” shareholder from attending the general meeting of “B” shareholders and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the relevant “B” shareholder as of the later of the date:
 - 8.1 stated in the revocation instrument, if any; or
 - 8.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act, 71 of 2008, as amended (the “**Companies Act**”).
9. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company’s Memorandum of Incorporation to be delivered by the company to the “B” shareholder must be delivered by the company to:
 - 9.1 the shareholder; or
 - 9.2 the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant “B” shareholder without direction, except to the extent that the Memorandum of Incorporation of the company or the instrument appointing the proxy provide otherwise.
11. If the company issues an invitation to “B” shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument appointing a proxy:
 - 11.1 such invitation must be sent to every “B” shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - 11.2 the company must not require that the proxy appointment be made irrevocable; and
 - 11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the general meeting of “B” shareholders.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the company that wishes to attend and participate at the general meeting of “B” shareholders should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company’s transfer secretaries prior to the general meeting of “B” shareholders.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the general meeting of “B” shareholders, that one of the said persons whose name appears first in the register of “B” shareholders of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. On a show of hands, every “B” shareholder of the company present in person or represented by proxy shall have one vote only. On a poll a shareholder who is present in person or represented by a proxy shall be entitled to one vote in respect of each “B” share he/she holds.
18. The chairman of the general meeting of “B” shareholders may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a “B” shareholder wishes to vote.
19. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.

20. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the general meeting of "B" shareholders, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the general meeting of "B" shareholders or other proxy to vote or to abstain from voting at the general meeting of "B" shareholders as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
21. Forms of proxy are requested to be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, posted to PO Box 61051, Marshalltown, 2107, faxed to +27 11 370 5238 or emailed to proxy@computershare.co.za so as to arrive no later than 10:20 on Tuesday, 26 January 2016. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairman of the general meeting of "B" shareholders immediately before the commencement thereof. Any "B" shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting of "B" shareholders of shareholders should the shareholder decide to do so.
22. A quorum for purposes of considering the resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by "B" shareholders in respect of each matter to be decided at the general meeting of "B" shareholders. In addition, a quorum shall consist of three "B" shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the general meeting of "B" shareholders.
23. This form of proxy may be used at any adjournment or postponement of the general meeting of "B" shareholders, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
24. The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.



Arrowhead Properties Limited

(Incorporated in the Republic of South Africa)

(Registration number 2011/000308/06)

JSE share codes: AWA ISIN: ZAE000203105

AWB ISIN: ZAE000203113

(Approved as a REIT by the JSE)

("Arrowhead" or "the company")

FORM OF SURRENDER (FOR CERTIFICATED SHAREHOLDERS ONLY)

Where appropriate and applicable, the terms defined in the circular to which this form of surrender is attached and forms part of shall bear the same meaning in this form of surrender.

This form should be read in conjunction with the circular.

INSTRUCTIONS:

1. A separate form of surrender is required for each certificated shareholder.
2. Certificated shareholders must complete this form in BLOCK CAPITALS.
3. **Part A** must be completed by all certificated shareholders who return this form.
4. **Part B1** must be completed by certificated shareholders who are emigrants from the Common Monetary Area.
5. **Part B2** must be completed by all other non-resident certificated shareholders who wish to provide a substitute address.
6. **Part C** must be completed by all certificated shareholders who return this form.
7. **Part D** must be completed by all certificated shareholders who return this form.

Please also read notes overleaf

To: Computershare Investor Services Proprietary Limited

If delivered by hand

Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg
2001

If sent by mail

Computershare Investor Services Proprietary Limited
PO Box 61763
Marshalltown
2007

Dear Sirs

PART A – SURRENDER OF DOCUMENTS OF TITLE

ALL CERTIFICATED SHAREHOLDERS WHO RETURN THIS FORM MUST PLEASE COMPLETE PART A

Certificated shareholders who wish to anticipate the restructure being implemented in accordance with its terms, and wish to expedite the process thereof should complete Part A and return this form to the transfer secretaries, together with the relevant document(s) of title, by no later than 12:00 on the restructure record date.

Surname or name of corporate body

First names (in full)

Title

Address (see Part B below)

Postal code

Country

Telephone: (Work) ()

Telephone: (Home) ()

Cellphone number

Email address

Fax number ()

Please note:

In order to comply with the requirements of FICA, the transfer secretaries will be unable to record any change of address mandated unless the following documentation is received from the relevant certificated shareholder:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Services to verify your tax number (if you do not have a tax number, please confirm this in writing and have the letter signed by a Commissioner of Oaths); and
- an original or an original certified copy of a service bill to verify your physical address.

PART B

1. To be completed only by certificated shareholders who are emigrants from the Common Monetary Area

Replacement documents of title will be sent to the certificated shareholder's authorised dealer in foreign exchange in South Africa controlling their blocked assets. Accordingly, a non-resident who is an emigrant from the Common Monetary Area must provide the following information:

Name and address of authorised dealer in South Africa or substitute instruction

Account number

2. To be completed only by all other non-resident certificated shareholders who wish to provide a substitute address

Replacement documents of title will be posted to the registered address of the non-resident concerned, unless written instructions to the contrary are received and a substitute address provided below:

Substitute address

3. If no nomination is made in terms of Part B1 above, the replacement documents of title will be held in trust by Arrowhead.

PART C – ORDINARY SHARES

ALL CERTIFICATED SHAREHOLDERS WHO RETURN THIS FORM MUST PLEASE COMPLETE PART C

1. Please tick this box if you have an account with a broker or CSDP and wish such account to be credited with your ordinary shares pursuant to the implementation of the restructure, and insert the details of such account below:

Name of account holder:

Name of broker:

Name of CSDP:

Account number of broker:

Account number of CSDP:

Telephone number of broker/CSDP:

SCA number of broker/CSDP:

Please note: The account details provided above must be verified by your broker or CSDP, and proof of such verification must accompany this form of surrender. Should the account details provided by you above be incorrect or incomplete, it will not be possible to credit such account with your ordinary shares pursuant to the implementation of the restructure, in which case you will be issued with a statement of allocation, confirming the number of ordinary shares relating to you. The statement of allocation will be sent to you, at your risk, at the address provided by you in **Part A** above.

2. Please tick this box **if you do NOT have an account with a broker or CSDP**, but wish to hold your ordinary shares pursuant to the implementation of the restructure in dematerialised form and not in certificated form. It will be necessary for you to appoint a broker or CSDP before your ordinary shares pursuant to the implementation of the restructure can be credited to your broker or CSDP account. In the meantime, you will be issued with a statement of allocation, confirming the number of ordinary shares relating to you. The statement of allocation will be sent to you, at your risk, at the address provided by you in **Part A** above.

3. Please tick this box **if you do NOT wish to hold your ordinary shares pursuant to the implementation of the restructure in dematerialised form** and instead wish to “withdraw” the ordinary shares due to you and replace these with a physical document of title (share certificate). The document of title (share certificate) for the ordinary shares will be sent you, at your risk, at the address provided by you in **Part A** above.

PART D

ALL CERTIFICATED SHAREHOLDERS WHO RETURN THIS FORM MUST PLEASE COMPLETE PART D

I/We hereby surrender and enclose the share certificates, certified transfer deeds and/or other documents of title, details in respect of which are set out in the table below, in respect of my/our holding of certificated Arrowhead shares:

Share certificate(s) and/or other document(s) of title to be surrendered (as enclosed)

Name of registered holder (separate form for each holder)	Certificate number(s) (in numerical order)	Number of Arrowhead "A" shares covered by each certificate(s) enclosed	Number of Arrowhead "B" shares covered by each certificate(s) enclosed
Total			

<p>Signature of certificated shareholder</p>	<p>Stamp and address of agent lodging this form of surrender (if any)</p>
<p>Date of signature</p>	

Signatories may be called upon for evidence of their authority or capacity to sign this form.

I/We hereby certify that:

- I/We own the shares issued by Arrowhead as detailed in the table set out above at the end of Part D (defined for purposes of this Part D as the "**Arrowhead shares**");
- the Arrowhead shares are fully paid-up;
- the Arrowhead shares are in registered form;
- I/We am/are the legal owner solely entitled to the Arrowhead shares and have the power to dispose of the Arrowhead shares;
- there are no pre-emption right nor any other right by virtue of which any person or entity may be entitled to demand that one or more of the Arrowhead shares be transferred to him;
- none of the Arrowhead shares are encumbered with any pledge, cession or usufruct, there are no right to acquire any pledge or usufruct of the Arrowhead shares and none of the Arrowhead shares are subject of any attachment; and
- the Arrowhead shares are freely transferable.

Notes:

1. If this form of surrender is returned with the relevant document(s) of title, it will be treated as a conditional surrender which is made subject to the restructure being implemented on the terms set out in the circular. In the event of the restructure not being implemented for any reason whatsoever, the transfer secretaries will, by no later than five business days after the date upon which it becomes known that the restructure will not be implemented, return the documents of title to the certificated shareholders concerned, by registered post, at the risk of such certificated shareholders.
2. Emigrants from the Common Monetary Area must complete Part B1. All other non-residents of the Common Monetary Area must complete Part B2 if they wish for replacement documents of title in respect of their ordinary shares pursuant to the implementation of the restructure to be sent to an address other than their address in the share register.
3. If Part B1 is not properly completed, replacement documents of title in respect of the ordinary shares of emigrants from the Common Monetary Area pursuant to the implementation of the restructure will be held in trust by Arrowhead pending receipt of the necessary nomination or instruction.
4. Replacement documents of title in respect of the ordinary shares of certificated shareholders pursuant to the implementation of the restructure will not be sent to such certificated shareholders recorded in the share register on the restructure record date unless and until documents of title in respect of the relevant Arrowhead shares have been surrendered to the transfer secretaries.
5. If a certificated shareholder produces evidence to the satisfaction of Arrowhead that documents of title in respect of Arrowhead shares have been lost or destroyed, Arrowhead may waive the surrender of such documents of title against delivery of a duly executed indemnity in a form and on terms and conditions approved by Arrowhead, or may in their discretion waive such indemnity.
6. If this form of surrender is not signed by the certificated shareholder, the certificated shareholder will be deemed to have irrevocably appointed the transfer secretaries to implement that certificated shareholder's obligations under the restructure on his/her behalf.
7. Persons who have acquired Arrowhead shares after the date of posting of the circular to which this form of surrender is attached, can obtain copies of the form of surrender and the circular from the transfer secretaries at 70 Marshall Street, Johannesburg, 2001 (PO Box 61763, Marshalltown, 2107).
8. No receipts will be issued for documents lodged, unless specifically requested. Signatories may be called upon for evidence of their authority or capacity to sign this form.
9. Any alteration to this form of surrender must be signed in full and should not be merely initialled.
10. If this form of surrender is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this form for noting (unless it has already been noted by Arrowhead).
11. Where the certificated shareholder is a company or a close corporation, unless it has already been registered with Arrowhead, a certified copy of the directors' or members' resolution authorising the signing of this form of surrender must be submitted if so requested by Arrowhead.
12. Where Arrowhead shares are held jointly, all joint holders are required to sign this form of surrender.

NOTES
