Rockcastle Global Real Estate Company Limited
(Incorporated in the Republic of Mauritius)
(Registration number 108869 C1/GBL)
SEM code: "Rock.N0000"
JSE code: "ROC" ISIN: "MU0364N00003"
("**Rockcastle**" or "**the company**")

PRE-LISTING STATEMENT

The definitions commencing on page 7 of this pre-listing statement have, where appropriate, been used on this cover page.

Rockcastle's shares are listed on the Stock Exchange of Mauritius, which constitutes its primary listing.

This pre-listing statement has been prepared and issued in terms of the JSE Listings Requirements and in respect of a private placement of shares in the company by way of:

- an offer to subscribe for up to a maximum of 10 000 000 shares at an issue price payable in Rand which is equivalent to US$1.00 per share determined at the prevailing US$:ZAR exchange rate at 12:00 on 20 July 2012 as per the Bloomberg spot rate; and
- the subsequent listing of the shares of the company by way of a secondary listing on the Alt^X.

	2012
Opening date of SA private placement at 09:00	Wednesday, 18 July
Closing date of SA private placement at 12:00	Friday, 20 July
Results of SA private placement released on SENS	Monday, 23 July
Results of SA private placement published in the press in South Africa	Tuesday, 24 July
Proposed listing on the Alt^X at 09:00	Thursday, 26 July

* *Applicants should consult their broker or CSDP to ascertain the timing for submission of applications as this may vary depending on the broker or CSDP in question.*

The SA private placement is an invitation to invited investors and will be constituted by the offer of up to a maximum of 10 000 000 shares. The shares to be issued pursuant to the SA private placement will rank *pari passu* with all other shares in issue.

Applications must be for a minimum subscription of R1 000 000 per invited investor acting as principal.

The listing of the shares is not subject to a minimum amount being raised in terms of the SA private placement. The shares which are the subject of the SA private placement are not subject to any conversion or redemption provisions.

This pre-listing statement is not an invitation to the public to subscribe for shares in Rockcastle. It is issued in compliance with the JSE Listings Requirements for the purpose of giving information to the public regarding Rockcastle and to provide information to invited investors with regards the SA private placement.

Immediately prior to the listing the issued share capital of Rockcastle will comprise 6 201 000 ordinary no par value shares. Assuming that the SA private placement is fully subscribed, immediately after the SA private placement and the listing the issued share capital of the company will comprise 16 201 000 shares of no par value. At the date of the listing the anticipated market capitalisation of the company will be US$16 201 000. There will be no shares held in treasury.

There is no intention to extend a preference on the allotment to any particular company or group in the event of an oversubscription of shares pursuant to the SA private placement.

The JSE has granted Rockcastle a listing of up to 16 201 000 shares on the Alt^X under the abbreviated name "Rockcastle", JSE code: "ROC" and ISIN: "MU0364N00003" with effect from the commencement of business on Thursday, 26 July 2012.

Rockcastle shares will only be capable of being traded on the JSE in dematerialised form.

The directors, whose names are given on page 9 of this document, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this pre-listing statement contains all information required by law and the JSE Listings Requirements.

Each of the corporate advisor, bookrunner, JSE sponsor, SEM sponsor, independent reporting accountants, auditors, management company, SA transfer secretaries, company secretary and banker whose names are included in this pre-listing statement have consented in writing and have not prior to publication of this pre-listing statement withdrawn their written consent to the inclusion of their names in the capacity stated and, where applicable, to their reports being included in this pre-listing statement.

In this pre-listing statement, unless otherwise stated, an indicative US$:ZAR exchange of US$1.00:R8.20 has been used.

South African corporate advisor, bookrunner and JSE sponsor

JAVA CAPITAL

SEM sponsor

CMB

Mauritian management company

INTERCONTINENTAL TRUST
International Tax & Management Services

Independent reporting accountants and auditors

BDO

Date and place of incorporation of the company
30 March 2012, Mauritius

Date of issue: Wednesday, 18 July 2012

This pre-listing statement is available in English only. Copies may be obtained from the company, the corporate advisor and sponsor, and the transfer secretaries at the addresses set out in the Corporate Information section of this pre-listing statement during normal office hours from Wednesday, 18 July 2012 to Thursday, 26 July 2012.

CORPORATE INFORMATION

Registered office and postal address of the company

Level 3
Alexander House
35 Cybercity, Ebene
Mauritius

Banker

Standard Bank (Mauritius) Limited
6th Floor, Medine Mews Building
Chaussee Street, Port Louis
Mauritius

Mauritian management company

Intercontinental Trust Limited
Level 3, Alexander House
35 Cybercity, Ebene
Mauritius

JSE sponsor

Java Capital Trustees and Sponsors (Proprietary) Limited
(Registration number 2006/005780/07)
Redefine Place
2 Arnold Road
Rosebank, Johannesburg
Republic of South Africa
(PO Box 2087, Parklands, 2121)

Auditors

BDO & Co
DCDM Building
10 Frère Félix de Valois Street
Port Louis
Mauritius

Company secretary

Intercontinental Trust Limited
Level 3, Alexander House
35 Cybercity, Ebene
Mauritius

SEM sponsor

Capital Market Brokers Limited
Suite 1004, Level 1, Alexander House
35 Cybercity, Ebene
Mauritius

Corporate advisor and bookrunner

Java Capital (Proprietary) Limited
(Registration number 2002/031862/07)
Redefine Place
2 Arnold Road
Rosebank, Johannesburg
Republic of South Africa
(PO Box 2087, Parklands, 2121)

South African transfer secretaries

Link Market Services South Africa (Proprietary) Limited
(Registration number 2000/007239/07)
13th Floor, Rennie House
19 Ameshoff Street
Braamfontein, Johannesburg
Republic of South Africa
(PO Box 4844, Johannesburg, 2000)

Independent reporting accountants

BDO South Africa Incorporated
(Registration number 1995/002310/21)
22 Wellington Road
Parktown, Johannesburg
Republic of South Africa
(Private Bag X60500, Houghton, 2041)

TABLE OF CONTENTS

The definitions given on pages 7 and 8 (inclusive) of this document have been used in the following table of contents:

IMPORTANT DATES AND TIMES

The definitions commencing on page 7 of this pre-listing statement apply to these important dates and times:

	2012
Abridged pre-listing statement released on SENS	Wednesday, 18 July
Opening date of the SA private placement at 09:00	Wednesday, 18 July
Abridged pre-listing statement published in the press in South Africa	Wednesday, 18 July
Closing date of the SA private placement at 12:00	Friday, 20 July
Results of the SA private placement released on SENS	Monday, 23 July
Results of the SA private placement published in the press in South Africa	Tuesday, 24 July
Notification of allotments	Thursday, 26 July
Listing of private placement shares on the Alt^{X} at commencement of trade	Thursday, 26 July
Accounts at CSDP or broker updated and debited in respect of dematerialised shareholders that subscribed for shares in terms of the SA private placement	Thursday, 26 July

Notes:

1. These dates and times are South African dates and times and are subject to amendment. Any such amendment will be released on SENS and published in the press in South Africa.
2. Invited investors may only receive shares in dematerialised form and must advise their CSDP or broker of their acceptance of the SA private placement in the manner and cut-off time stipulated by their CSDP or broker.
3. CSDP's effect payment on a delivery-versus-payment basis.

INTRODUCTION TO ROCKCASTLE AND OVERVIEW

The salient features provide an outline of the information contained in this pre-listing statement and are not intended to be comprehensive. The salient features should be read in conjunction with the other sections of this pre-listing statement.

The definitions commencing on page 7 of this pre-listing statement have, where appropriate, been used in this section.

1. **INCORPORATION**

1.1 The company was established in Mauritius on 30 March 2012 as a category one Global Business License company.

1.2 Rockcastle listed on the SEM on 5 June 2012 by way of a placing of 6 200 000 shares at US$1.00 per share. Rockcastle will conduct its business from Mauritius and its board comprises a majority of Mauritian resident directors.

2. **OVERVIEW OF ROCKCASTLE**

2.1 **Introduction**

Rockcastle's primary objective is to invest in real estate assets and companies that are high yielding with the prospect of capital appreciation. Its investments may comprise global real estate securities, unlisted or over-the-counter real estate securities, other instruments derived from such real estate securities, a global portfolio of direct property assets (which the company will both own and manage), including commercial property development projects, existing properties and/or real estate companies. Further information on Rockcastle's investment strategy, process and operations is detailed in **Annexure 2**. Investments made by the company as at the last practicable date are set out in **Annuxure 3**.

2.2 **Investment strategy**

Initially, Rockcastle's investments will comprise primarily listed real estate securities in selected developed jurisdictions including Canada, New Zealand, Australia, Singapore, France, the Netherlands, Hong Kong, the United States and the United Kingdom. It is the board's view that the real estate investment vehicles established and listed in these jurisdictions have attractive yields and fundamentally sound property portfolios that represent attractive investment opportunities. These investments will be held directly, or *via* subsidiaries incorporated in various jurisdictions for the purposes of maximising the tax efficiencies of Rockcastle's investments, a critical consideration when investing globally.

Rockcastle will receive regular distributions from its investments which it will aggregate and pay over to investors as dividends on a semi-annual basis.

Rockcastle has been established in Mauritius in order to take advantage of Mauritius' business friendly infrastructure and tax regime and the double tax agreements that Mauritius has negotiated with many of the jurisdictions in which the company intends to invest.

Further information on Rockcastle's investment strategy, process and operations is detailed in **Annexure 2.** Investments made by the company as at the last practicable date are set out in **Annexure 3**.

2.3 **JSE listing**

It is considered that Rockcastle will present an attractive opportunity to South African investors. It is the view of the board of Rockcastle that South African property investors who have enjoyed world-beating returns from the South African real estate sector over the last few years now see comparatively attractive value in carefully selected opportunities in real estate markets outside South Africa. Accordingly, Rockcastle is seeking a listing on the Alt^X to broaden its investor base and source additional capital to fund growth aspirations, and to:

2.3.1 enhance potential investors' awareness of the company;

2.3.2 improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its securities;

2.3.3 provide invited investors the opportunity to participate directly in the income streams and future capital growth of the company; and

2.3.4 provide invited investors with an additional market for trading the company's shares.

3. **SA PRIVATE PLACEMENT**

The SA private placement comprises an offer to subscribe for up to 10 000 000 Rockcastle shares at the issue price which offer will raise up to the Rand equivalent of US$10 000 000 determined at the prevailing US$:ZAR exchange rate at 12:00 on 20 July 2012 as per the Bloomberg spot rate.

DEFINITIONS

In this document 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:

"**Alt^{X}**"	the Alternative Exchange of the JSE;
"**application form**"	the application form in respect of the SA private placement which is attached to and forms part of this pre-listing statement;
"**the board**" or "**the directors**"	the board of directors of Rockcastle, particulars of whom are set out in **Annexure 5** to the pre-listing statement;
"**business day**"	any day other than a Saturday, Sunday or official public holiday in South Africa;
"**CAD**"	Canadian Dollar;
"**certificated shares**"	shares in respect of which physical share certificates are issued;
"**common monetary area**"	collectively, South Africa, the Kingdoms of Swaziland and Lesotho, and the Republic of Namibia;
"**Companies Act**"	the Companies Act, 71 of 2008 (as amended);
"**the company**" or "**Rockcastle**"	Rockcastle Global Real Estate Company Limited (Registration number 108869 C1/GBL), a company incorporated under the laws of Mauritius and holding a category one Global Business License issued by the Financial Services Commission of Mauritius;
"**Constitution**"	the constitution of the company, dated 25 May 2012;
"**CSDP**"	a Central Securities Depository Participant appointed by a shareholder for purposes of and in regard to dematerialisation and to hold and administer shares on behalf of a shareholder;
"**dematerialise**" or "**dematerialisation**"	the process whereby physical share certificates are replaced with electronic records of ownership under Strate and recorded in the sub-register of shareholders maintained by a CSDP or broker;
"**dematerialised shares**"	shares which have been dematerialised and incorporated into the Strate system;
"**dematerialised shareholder**"	a holder of dematerialised shares;
"**emigrant**"	an emigrant from South Africa whose address is outside the common monetary area;
"**Euro**"	Euro, the official currency of the Eurozone;
"**Exchange Control Regulations**"	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act, 1933;
"**GBL1**"	a category one Global Business License issued under the Mauritian Financial Services Act 2007;
"**GBP**"	British Pound;
"**HKD**"	Hong Kong Dollar;
"**IFRS**"	International Financial Reporting Standards;
"**Income Tax Act**"	South Africa's Income Tax Act, 1962, as amended;
"**independent reporting accountants**"	BDO South Africa Incorporated (Registration number 1995/002310/21), a private company incorporated in accordance with the company laws of South Africa, further details of which are set out on in the "Corporate Information" section;
"**investment strategy**"	the investment strategy of the company as determined by the board further details of which are contained in paragraph 4 of this document;

"**invited investors**"	those private clients, selected financial institutions and retail investors who have been invited to participate in the SA private placement;
"**issue price**"	the Rand equivalent of US$1.00 per share determined at the prevailing US$:ZAR exchange rate at 12:00 on 20 July 2012 as per the Bloomberg spot rate;
"**ITL**"	Intercontinental Trust Limited, further details of which are set out on page 1;
"**Java Capital**"	collectively, Java Capital (Proprietary) Limited (Registration number 2002/031862/07) and Java Capital Trustees and Sponsors (Proprietary) Limited (Registration number 2006/005780/07), private companies incorporated in accordance with the laws of South Africa, further details of which are set out on in the "Corporate Information" section;
"**JSE**"	JSE Limited (Registration number 2005/022939/06), a company duly registered and incorporated with limited liability under the company laws of South Africa, licensed as an exchange under South Africa's Securities Services Act, 2004;
"**JSE Listings Requirements**"	the JSE Listings Requirements, as amended from time to time;
"**King III**"	the Third King Report on Corporate Governance;
"**last practicable date**"	the last practicable date prior to the finalisation of the document, being Friday, 6 July 2012;
"**listing**"	the listing in terms of the JSE Listings Requirements of Rockcastle on the AltX;
"**listing date**"	the anticipated date of listing of the shares, being Thursday, 26 July 2012;
"**management**"	the current management of the company, as detailed in **Annexure 5** to the pre-listing statement;
"**Mauritian private placement**"	an offer to targeted investors to subscribe for 6 200 000 Rockcastle shares at a price per share of US$1.00 prior to the listing of Rockcastle on the SEM;
"**Mauritius**"	the Republic of Mauritius;
"**pre-listing statement**"	this document and its annexures, dated 16 July 2012, which has been prepared in compliance with the JSE Listings Requirements;
"**private placement shares**"	10 000 000 Rockcastle shares being offered pursuant to the SA private placement;
"**REIT**"	either a listed or unlisted Real Estate Investment Trust;
"**SA Government**"	the government of South Africa;
"**SA private placement**"	an offer to invited investors to subscribe for up to 10 000 000 Rockcastle shares at the issue price;
"**SA transfer secretaries**"	Link Market Services South Africa (Proprietary) Limited (Registration number 2000/007239/07), a private company incorporated in accordance with the company laws of South Africa and the South African transfer secretaries to the company, further details of which are set out on in the "Corporate Information" section;
"**SEM**"	the Stock Exchange of Mauritius Limited established under the repealed Stock Exchange Act of Mauritius;
"**SGD**"	Singapore Dollar;
"**SENS**"	the Securities Exchange News Service of the JSE;
"**shares**" or "**Rockcastle shares**"	ordinary no par value shares in the share capital of the company;
"**shareholder**"	a holder of shares;
"**South Africa**" or "**SA**"	the Republic of South Africa;
"**Strate**"	Strate Limited (Registration number 1998/022242/06), a public company incorporated in accordance with the company laws of South Africa and the electronic clearing and settlement system used by the JSE to settle trades;
"**US$**"	United States Dollar; and
"**ZAR**" or "**Rand**"	South African Rand.

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JSE code: "ROC" ISIN: "MU0364N00003"
("**Rockcastle**" or "**the company**")

Directors of the company

Mark Olivier# (*Chairman*)
Craig Hallowes^ (*Chief executive officer*)
Stephen Delport^ (*Financial director*)
Rory Kirk#
Yan Chong Ng Cheng Hin#

^ South African
 # Mauritian

SECTION ONE – INFORMATION ON THE COMPANY

1. **INTRODUCTION**

The purpose of this document is to provide information to invited investors in relation to the company and its activities.

2. **DIRECTORS AND MANAGEMENT OF THE COMPANY**

2.1 **Rockcastle's board of directors**

Annexure 5 contains the following information:

2.1.1 details of directors and executive management including their names, addresses, qualifications, occupations and experience;

2.1.2 information concerning the appointment, remuneration, terms of office, and borrowing powers of the directors;

2.1.3 directors' interests;

2.1.4 directors' declarations; and

2.1.5 directors' other directorships and partnerships.

2.2 **Management company**

ITL will act as the management company, company secretary and registrar to Rockcastle for purposes of its listing on the SEM. ITL is not a related party in relation to the company. As at the last practicable date the directors of ITL are York Lim Voon Kee, Jacob Du Toit, Deans Lo Seen Chong, Alex Fon Sing, Richard Wilson, Yan Ng Cheng Hin, Man Chan Kan Cheong and Teddy Lo Seen Chong. ITL's duties will include:

2.2.1 maintaining statutory registers such as the register of members, directors and directors' interests;

2.2.2 filing statutory returns and forms with the relevant authorities;

2.2.3 providing the relevant information and assistance to the auditors;

2.2.4 providing the board with guidance as to its duties, responsibilities and powers; and

2.2.5 ensuring compliance with anti-money laundering legislation.

ITL will charge an approximate annual fee of US$15 000 for rendering these services to the company.

2.3 **Areas of responsibility**

2.3.1 The board of the company is responsible for the management of the company and strategic decision-making and implementation.

2.3.2 All administrative business functions will be carried out by ITL in Mauritius.

2.3.3 The company will use the services of a global broker for the trading and custody of listed securities and other instruments.

2.3.4 The board will leverage off existing operations within ITL and associated companies for operations management, finance and accounting.

3. INCORPORATION, HISTORY AND NATURE OF BUSINESS

3.1 **Incorporation, name, address and history**

3.1.1 Rockcastle was incorporated on 30 March 2012 in Mauritius and holds a category one Global Business License in accordance with the Mauritian Companies Act 2001 and the Financial Services Act 2007 of Mauritius and has been operational since 4 April 2012. The company's registered address is Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius.

3.1.2 Rockcastle's issued share capital was listed on the SEM on 5 June 2012. The listing was preceded by a placing of 6 200 000 shares at US$1.00 per share.

3.2 **Listings on the SEM and JSE**

3.2.1 Rockcastle has been established in Mauritius in order to take advantage of Mauritius' business friendly infrastructure and tax regime and the double tax agreements that Mauritius has negotiated with many of the jurisdictions in which the company intends to invest.

3.2.2 It is considered that Rockcastle will present an attractive opportunity to South African investors. It is the view of the promoters of Rockcastle that South African property investors who have enjoyed world-beating returns from the South African real estate sector over the last few years now see comparatively attractive value in carefully selected opportunities in real estate markets outside South Africa. Accordingly, Rockcastle is seeking a listing on the JSE to broaden its investor base and source additional capital to fund growth aspirations, and to:

3.2.2.1 enhance potential investors' awareness of the company;

3.2.2.2 improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its securities;

3.2.2.3 provide invited investors the opportunity to participate directly in the income streams and future capital growth of the company; and

3.2.2.4 provide invited investors with an additional market for trading the company's shares.

3.3 **Financial year-end**

The financial year-end of the company is the last day of June each year.

4. INVESTMENT STRATEGY, PROCESS AND OPERATIONS

4.1 Rockcastle will invest in real estate, whether through investments in direct property or through real estate securities, or instruments or securities derived from such investments. The investment strategy includes investments in synthetic instruments, such as portfolio or asset swaps in order to gain the benefits of gearing and will further include listed and unlisted instruments, for example, in real estate holding companies.

4.2 The focus for Rockcastle will be on the aggressive and proactive management of both the portfolio of securities and properties, in order to enhance returns and capital values for investors. All administrative functions, while managed carefully and supervised from Mauritius, will be outsourced to third parties who specialise in such roles.

4.3 Rockcastle will receive regular distributions from its investments which it will aggregate and pay over to investors as dividends on a semi-annual basis.

4.4 An outline of Rockcastle's investment strategy, process and operations as at the last practicable date is presented in **Annexure 2** so as to provide invited investors with insight into Rockcastle's likely investments in the future and is not intended to limit the broad objectives as outlined above. These investment strategies, processes and operations will be reviewed by the board on a regular basis so as to ensure that the company is meeting its defined objectives.

5. INVESTMENTS TO DATE

The company has made several investments in listed securities subsequent to its listing on the SEM. The company's investments as at the last practicable date are set out in **Annexure 3**.

6. COMPANY STRUCTURE

6.1 Company structure

The company structure is set out in **Annexure 1**.

6.2 Share capital

Information regarding the issued share capital of the company, the shareholders of the company holding in excess of 5% of the issued share capital immediately prior to and after the listing, alterations of capital, a summary of offers of shares by the company to the public since incorporation and ancillary information is set out in **Annexure 4**.

6.3 Constitution

Extracts from the company's Constitution are set out in **Annexure 11**.

7. EMPLOYEES

Other than its executive directors, the company does not and will not have any employees as at the last practicable date.

8. COMMISSIONS PAID AND PAYABLE

8.1 Since the incorporation of the company, no commissions, discounts, brokerages or royalties have been paid nor have any other special terms been granted by the company in connection with the issue or sale of any securities, shares or debentures in the capital of the company.

8.2 Since incorporation, there have been no commissions paid or are payable in respect of underwriting by the company since incorporation of the company.

8.3 Since incorporation, the company has not paid any material technical or secretarial fees.

8.4 Since incorporation, the company has not entered into any promoter's agreements and as a result no amount has been paid or is payable to any promoter.

9. MATERIAL CONTRACTS

No contracts have been entered into (other than contracts entered into in the ordinary course of business) by the company since incorporation: (i) which are or may be material or (ii) which contain any provision under which the company has any obligations or entitlements which are, or may be material, as at the date of this document.

10. INTERESTS OF DIRECTORS AND PROMOTERS

Details of directors' interests in the company and emoluments are set out in paragraph 6 and paragraph 2, respectively, of **Annexure 5**.

11. EXPENSES OF THE SA PRIVATE PLACEMENT AND LISTING

The estimated expenses relating to the capital raising and the listing are set out below:

	Rand
Corporate advisory and sponsor fees payable to Java Capital	1 500 000
Independent reporting accountants' fees payable to BDO South Africa Incorporated	60 000
JSE documentation fees	58 431
JSE listing fees	17 238
Printing, publication, distribution and advertising costs	150 000
Company secretarial fees payable to Intercontinental Trust Limited	10 000
SA transfer secretaries fees payable to Link Market Services South Africa (Proprietary) Limited	15 000
Contingency costs	170 000
Total	**1 980 669**

The company will pay these expenses out of the proceeds of the private placement.

Rockcastle was listed on the SEM on Tuesday, 5 June 2012. The estimated expenses relating to the Mauritian private placement and listing are set out below:

	US$
Sponsor fee payable to Capital Market Brokers	25 000
Corporate and legal advisory fee payable to C&A Law	20 000
Audit fee payable to BDO & Co	5 175
Company secretarial fee payable to Intercontinental Trust	21 523
Lead corporate advisory fee payable to Java Capital	124 619
Printing publication and advertising costs	6 714
SEM application fees	2 680
Total	**205 711**

SECTION TWO – DETAILS OF THE OFFER

12. PURPOSES OF THE OFFER

12.1 It is considered that Rockcastle will present an attractive opportunity to South African investors. It is the view of the promoters of Rockcastle that South African property investors who have enjoyed world-beating returns from the South African real estate sector over the last few years now see comparatively attractive value in carefully selected opportunities in real estate markets outside South Africa. Accordingly, Rockcastle is seeking a listing on the JSE to broaden its investor base and source additional capital to fund growth aspirations, and to:

12.1.1 enhance potential investors' awareness of the company;

12.1.2 improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its securities;

12.1.3 provide invited investors the opportunity to participate directly in the income streams and future capital growth of the company; and

12.1.4 provide invited investors with an additional market for trading the company shares.

12.2 In compliance with the JSE Listings Requirements, the purposes of this pre-listing statement is to:

12.2.1 provide invited investors with the relevant information regarding the company, its investment strategy and its directors and management;

12.2.2 enable Rockcastle to obtain a listing on the JSE and set out the salient dates and terms of the listing; and

12.2.3 provide details of the SA private placement.

12.3 The listing is being preceded by the SA private placement in order to afford invited investors the ability to participate in the equity of Rockcastle.

13. SALIENT DATES AND TIMES

	2012
Opening date of the SA private placement 09:00	Wednesday, 18 July
Closing date of the SA private placement 12:00	Friday, 20 July
Results of the SA private placement released on SENS	Monday, 23 July
Results of the SA private placement published in the press in South Africa	Tuesday, 24 July
Notification of allotments	Tuesday, 24 July
Listing of Rockcastle shares on the Alt^{X}	Thursday, 26 July
Accounts at CSDP or broker updated and debited in respect of dematerialised shareholders	Thursday, 26 July

These dates and times are South African dates and times and are subject to amendment. Any such amendment will be released on SENS and published in the press in South Africa.

14. PARTICULARS OF THE OFFER

14.1 Particulars of the SA private placement

The SA private placement comprises an offer to subscribe for 10 000 000 Rockcastle shares at the issue price which offer will raise up to the Rand equivalent of US$10 000 000 determined at the prevailing US$:ZAR exchange rate at 12:00 on 20 July 2012 as per the Bloomberg spot rate.

14.2 Participation in the SA private placement

Only invited investors may participate in the SA private placement. The shares will only be issued in dematerialised form. There will be no certificated shares issued.

Invited institutional investors

Invited institutional investors are to provide Java Capital, the bookrunner, with their irrevocable indications of interest by 12:00 on Friday, 20 July 2012. Invited institutional investors will be informed of their allocated shares, if any, on or from Tuesday, 24 July 2012, when the collated applications will be provided to the transfer secretaries and Strate. Invited institutional investors must make the necessary arrangements to enable their CSDP to make payment for the allocated shares on the settlement date. The allocated shares will be transferred, on a 'delivery-versus-payment' basis, to successful institutional applicants on the settlement date, which is expected to be Thursday, 26 July 2012.

Selected private clients

Selected private clients are to provide Java Capital, the bookrunner, with their completed application forms by 12:00 on Friday, 20 July 2012. Selected private clients will be informed of their allocated shares, if any, on or from Tuesday, 24 July 2012. Selected private clients must make the necessary arrangements to enable their CSDP or broker, as the case may be, to make payment for the allocated shares on the settlement date. The allocated shares will be transferred, on a 'delivery-versus-payment' basis, to successful private client applicants on the settlement date, which is expected to be Thursday, 26 July 2012.

Invited retail investors

Invited retail investors are to provide Java Capital, the bookrunner, with their completed application forms by 12:00 on Friday, 20 July 2012. Invited retail investors will be informed of their allocated shares, if any, on or from Tuesday, 24 July 2012. Invited retail investors must make the necessary arrangements to enable their CSDP or broker, as the case may be, to make payment for the allocated shares on the settlement date. The allocated shares will be transferred, on a 'delivery-versus-payment' basis, to successful retail applicants on the settlement date, which is expected to be Thursday, 26 July 2012.

14.3 Parties who may not participate in the SA private placement

The following categories of persons may not participate in the SA private placement:

- any person who may not lawfully participate in the SA private placement; and/or
- institutional and retail investors who have not been invited to participate and persons acting on behalf of a minor or a deceased estate.

14.4 Minimum capital to be raised

The listing is not subject to a minimum amount being raised in terms of the SA private placement.

14.5 Applications

14.5.1 ***Acceptance***

No applications will be accepted after 12:00 on Friday, 20 July 2012. Monday, 23 July 2012 and Tuesday, 24 July 2012 will be reserved for auditing the application spreadsheets and correcting any potential clerical errors.

14.5.2 ***Minimum number***

Applications must be for a minimum subscription of R1 000 000 per investor acting as principal.

14.5.3 ***Applications irrevocable***

Applications submitted by invited investors are irrevocable and may not be withdrawn once received by Java Capital.

14.5.4 ***Copies of applications***

Copies or reproductions of the application form will be accepted at the discretion of the directors of the company.

14.5.5 ***Alterations***

Any alterations on the application form must be authenticated by full signature.

14.5.6 ***Receipts***

Receipts will not be issued for applications, application monies or supporting documents received.

14.5.7 ***Evidence of capacity to apply***

Other than as detailed in the application form, no documentary evidence of capacity to apply need accompany the application form, but the company reserves the right to call upon any applicant to submit such evidence for noting, which evidence will be held on file with Rockcastle or the transfer secretaries or returned to the applicant at the applicant's risk.

14.5.8 ***Reservation of rights***

The directors of the company reserve the right to accept or refuse any applications, either in whole or in part, or to abate any or all applications (whether or not received timeously) in such manner as they may, in their sole and absolute discretion, determine.

14.6 Issue and allocation of the shares

All shares applied and subscribed for in terms of this pre-listing statement will be issued at the expense of the company.

All of the shares will be allotted subject to the provisions of the Constitution and will rank *pari passu* in all respects, including dividends, with any existing issued shares of that class.

The Rockcastle shares which are the subject of this SA private placement are not subject to any conversion or redemption provisions.

The basis of allocation of the SA private placement shares, based on irrevocable indications of interest and applications accepted by the company in accordance with paragraph 14.5.8 above will be determined on an equitable basis.

It is intended that notice of the allocations will be given on or from Tuesday, 24 July 2012.

Successful applicants' accounts with their CSDP or broker will be credited with the allocated shares on the settlement date on a 'delivery-versus-payment' basis.

14.7 Payment and delivery of shares

No payment should be submitted with the application form delivered to the bookrunner, Java Capital. Applicants must make the necessary arrangements to enable their CSDP or broker to make payment for the allocated shares on the settlement date, which is expected to be Thursday, 26 July 2012, in accordance with each applicant's agreement with their CSDP or broker.

The allocated shares will be transferred, on a 'delivery-versus-payment' basis, to successful invited investors on the settlement date, which is expected to be Thursday, 26 July 2012.

The applicant's CSDP or broker must commit to Strate to the receipt of the applicant's allocation of shares against payment on Thursday, 26 July 2012.

On the settlement date, the applicant's allocation of shares will be credited to the applicant's CSDP or broker against payment during the Strate settlement runs, prior to the opening of the market.

The CSDP or broker concerned will receive and hold the dematerialised shares on the applicants' behalf.

14.8 Representation

14.8.1 Any person applying for or accepting the shares shall be deemed to have represented to the company that such person was in possession of a copy of this pre-listing statement at that time.

14.8.2 Any person applying for or accepting the shares on behalf of another:

14.8.2.1 shall be deemed to have represented to the company that such person is duly authorised to do so and warrants that such person and the purchaser for whom such person is acting as agent is duly authorised to do so in accordance with all relevant laws;

14.8.2.2 guarantees the payment of the issue price; and

14.8.2.3 warrants that a copy of this pre-listing statement was in the possession of the purchaser for whom such person is acting as agent.

14.9 Applicable law

The SA private placement, applications, allocations and acceptances will be exclusively governed by the laws of South Africa and each applicant will be deemed, by applying for shares, to have consented and submitted to the jurisdiction of the Courts of South Africa in relation to all matters arising out of or in connection with the SA private placement.

14.10 Strate and the trading of shares on the Alt^{X}

Shares may only be traded on the Alt^{X} in electronic form (dematerialised units) and will be trading for electronic settlement in terms of Strate immediately following the listing.

Strate is a system of “paperless” transfer of shares. If any applicant has any doubt as to the mechanics of Strate, the applicant should consult with his CSDP or broker or other appropriate advisor and is also referred to the Strate website at www.Strate.co.za for more information. Some of the principal features of Strate are as follows:

- electronic records of ownership replace shares certificates and physical delivery of certificates;
- trades executed on the Alt^{X} are settled within five business days;
- all investors owning dematerialised units or wishing to trade their shares on the Alt^{X} are required to appoint either a CSDP or a broker to act on their behalf and to handle their settlement requirements; and
- the CSDP’s or broker’s nominee company, holding shares on their behalf, will be the shareholder (member) of the company and not the investor. Subject to the agreement between the investor and the CSDP or broker (or the CSDP’s or broker’s nominee company), generally in terms of the rules of Strate, the investor is entitled to instruct the CSDP or broker (or the CSDP’s broker’s nominee company), as to how it wishes to exercise the rights attaching to the shares.

14.11 Over-subscription

The maximum number of shares that can be subscribed for in terms of the SA private placement is 10 000 000 shares. In the event of an over subscription, shares will be allocated and issued at the discretion of the directors on an equitable basis. Factors to be considered by the company in allocating shares include promoting liquidity, tradability and an orderly after-market in the shares of the company.

14.12 Simultaneous issues

No shares of the same class are issued or to be issued simultaneously or almost simultaneously with the issue of shares for which application is being made.

14.13 Underwriting

The SA private placement will not be underwritten.

15. MINIMUM SUBSCRIPTION

In the opinion of the directors, there is no minimum amount required to be raised by the SA private placement.

16. **WORKING CAPITAL**

The directors of the company are of the opinion that the working capital available to Rockcastle is sufficient for the company's present requirements, that is, for at least the next 12 months from the date of issue of this pre-listing statement.

17. **REPORT BY DIRECTORS AS TO MATERIAL CHANGES**

The issued share capital of Rockcastle was listed on the SEM on 5 June 2012 by way of a placing of 6 200 000 shares at US$1.00 per share. Accordingly, between the previous financial reporting period being 31 March 2012 and the last practicable date, the company raised US$6 200 000 in capital, issued an additional 6 200 000 shares and started trading on the SEM.

The company was only incorporated on 30 March 2012 and, accordingly, there has been no material changes in the business of the company since incorporation nor has there been any change in the trading objectives of the company.

18. **STATEMENT AS TO LISTING ON THE JSE**

The JSE has granted Rockcastle approval for the listing of up to 16 201 000 shares with effect from the commencement of business on 26 July 2012 on the Alt^X under the abbreviated name "Rockcastle", JSE code: "ROC" and ISIN: "MU0364N00003". It is anticipated that the listing will be effective as from the commencement of trade of the JSE on Thursday, 26 July 2012.

19. HISTORICAL FINANCIAL INFORMATION

The historical financial information of Rockcastle for the period ended 31 March 2012 is set out in **Annexure 6.** The preparation of the historical information is the responsibility of the directors. The independent reporting accountants' report thereon is contained in **Annexure 7**.

Given that Rockcastle is a newly incorporated company, there is no historical profit or loss information available.

20. UNAUDITED *PRO FORMA* STATEMENT OF FINANCIAL POSITION

Annexure 8 contains the unaudited *pro forma* statement of financial position of Rockcastle.

The independent reporting accountants' limited assurance report on the unaudited *pro forma* statement of financial position of Rockcastle is set out in **Annexure 9**.

21. DIVIDENDS AND DISTRIBUTION

No shares of the company are currently in issue with a fixed date on which entitlement to dividends arises nor are there arrangements in force whereby future dividends are waived or agreed to be waived.

22. ACQUISITIONS

Save as contained in **Annexure 3**, no material immovable property and/or fixed assets or securities and/or business undertakings have been acquired by the company since incorporation nor are in the process of being or are proposed to be acquired by the company (or which the company has an option to acquire).

23. DISPOSALS

No material immovable property, fixed assets, securities in subsidiaries or businesses have been disposed of by the company since incorporation nor are any of these to be disposed of in the first six months after commencement of the listing.

24. ADVANCES, LOANS AND BORROWINGS

As at the last practicable date, no material loans were advanced by or to the company (including by the issue of debentures).

No shareholders' loans were recorded on the company's statement of financial position at the last practicable date. There are no loans receivable outstanding at the date of this pre-listing statement.

As at the last practicable date, there is no loan capital outstanding.

No loans have been made or security furnished by the company to or for the benefit of any director or manager or associate of any director or manager of the company.

At the last practicable date, the company does not have any subsidiaries and, accordingly, there were no inter-company loans or other financial transactions.

No charge or mortgage has been created over any assets of the company.

25. CORPORATE GOVERNANCE

The company's Corporate Governance statement is set out in **Annexure 10**.

26. LITIGATION

The company is not involved in any governmental, legal or arbitration proceedings and, in so far as the directors are aware, there are no governmental, legal or arbitration proceedings pending or threatened against them, or being brought by the company since incorporation which may have, or have had in the recent past, a material effect on the financial position or profitability of the company.

27. **SA GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW**

There is no SA Government protection or any investment encouragement law pertaining to any of the businesses operated by the company.

28. **DIRECTORS' RESPONSIBILITY STATEMENT**

The directors, whose names are given in **Annexure 5**:

28.1 have considered all statements of fact and opinion in the document;

28.2 collectively and individually, accept full responsibility for the accuracy of the information given;

28.3 certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading;

28.4 have made all reasonable enquiries in this regard; and

28.5 certify that, to the best of their knowledge and belief, the pre-listing statement contains all information required by law and the JSE Listings Requirements.

29. **MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES**

The company does not have any capital commitments, financial lease payments and contingent liabilities as at the last practicable date.

30. **MATERIAL COMMITMENTS IN RESPECT OF ACQUISITION AND ERECTION OF BUILDINGS, PLANT AND MACHINERY**

The company does not have any material commitments for the purchase and erection of buildings, plant or machinery.

31. **PRINCIPAL IMMOVABLE PROPERTY LEASED OR OWNED**

The company does not own any immovable property nor has the company entered into any leases in respect of immovable property.

32. **SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS**

Rockcastle has obtained approval from the SARB for the listing of the shares on the JSE, which listing is classified as an "inward listing" in terms of the Exchange Control Regulations.

A summary of the SARB Exchange Control Regulations relating to the acquisition of Rockcastle shares is set out in **Annexure 12**.

33. **TAXATION**

Mauritian taxation provisions

Under the provisions of the Mauritian Income Tax Act, a GBL1 is taxed at a fixed rate of 15%. A system of deemed foreign tax credits of 80% effectively reduces the income tax rate to 3%.

Under the Mauritian fiscal regime, there are no:

(a) withholding taxes on dividends distributed by a company to its shareholders;

(b) withholding taxes on interest; and

(c) capital gains taxes. Accordingly, the capital gains realised by a non-resident shareholder on the disposal of its shares in the company are not subject to tax in Mauritius.

34. **CONSENTS**

Each of the corporate advisor, bookrunner, sponsor, independent reporting accountants, auditors, SA transfer secretaries, company secretary and banker whose names are included in this pre-listing statement have consented in writing and have not prior to publication of this pre-listing statement withdrawn their written consent to the inclusion of their names in the capacity stated.

The independent reporting accountants have consented to the inclusion of their reports in the form and context in which they are included in the pre-listing statement, which consent has not been withdrawn prior to the publication of the pre-listing statement.

35. DOCUMENTATION AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the company's registered office and from the company's South African sponsor during business hours from date of issue of the document up to and including Thursday, 26 July 2012:

35.1 the signed pre-listing statement;

35.2 the Constitution of the company;

35.3 the letters of consent referred to in paragraph 34;

35.4 the signed independent reporting accountants' reports as presented in **Annexure 7** and **Annexure 9**; and

35.5 the statement of financial position of Rockcastle as at 31 March 2012 presented in **Annexure 6**

Signed at Johannesburg on 16 July 2012 by Craig Hallowes on behalf of Rockcastle Global Real Estate Company Limited

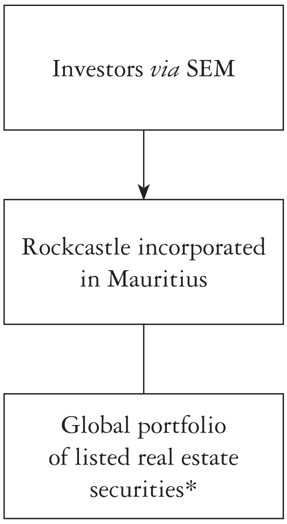
Craig Hallowes

who warrants that he is duly authorised thereto by resolution of the board of Rockcastle Global Real Estate Company Limited.

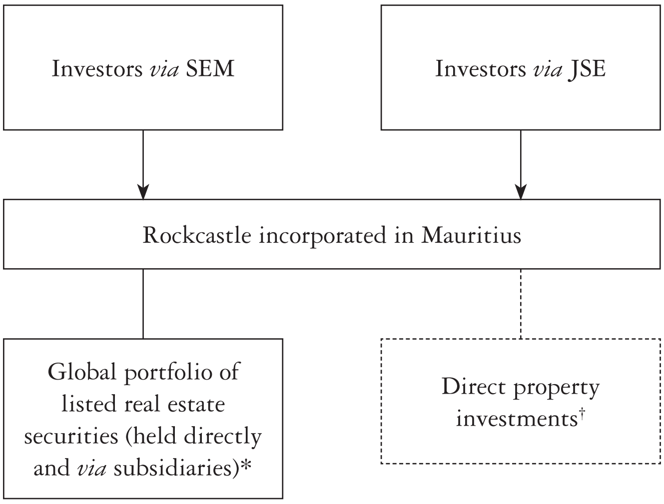
STRUCTURE OF ROCKCASTLE

The structure, before and after the listing, is set out below:

Before the listing on the JSE



After the listing on the JSE



* Refer to **Annexure 3**

† As at the last practicable date there were no direct property investments

COMPANY STRATEGY, PROCESS AND OPERATIONS

1. OVERVIEW

Initially, Rockcastle will invest in listed real estate securities in selected developed jurisdictions including Canada, New Zealand, Australia, Singapore, France, the Netherlands, Hong Kong, the United States and the United Kingdom. It is the board's view that the real estate investment vehicles established and listed in these jurisdictions have attractive yields and fundamentally sound property portfolios that represent attractive investment opportunities. These investments will be held directly, or via subsidiaries incorporated in various jurisdictions for the purposes of maximising the tax efficiencies of Rockcastle's investments, a critical consideration when investing globally in REITs.

Rockcastle will employ aggressive and proactive asset management to acquire global real estate securities and to source, own, develop and build, operate and manage commercial property and where appropriate may provide transactional, financial and management level activities to the investments, whether in global listed securities or in direct properties, including formulating business strategy and execution, procurement, finance, marketing and related business level and project level management services.

The management of Rockcastle adopts a macro-assessment, or top-down, and a micro-assessment, or bottom-up, analytical approach to investing. This involves assessing the macro-economic environment of the jurisdictions in which it intends investing. This macro-assessment includes (but is in no way limited to):

- the maturity of the REIT industry;
- the legislation governing the REITs;
- the growth prospects in real estate;
- yields;
- long-bond rates;
- consumer price index, or inflation;
- relative currency strength; and
- the prospects for the jurisdiction, including GDP growth.

The micro-assessment includes (but is in no way limited to):

- analysing individual companies or counters in a watch list, which is analysed and reviewed regularly;
- an analysis of counter performance over various metric periods;
- an understanding of the management team, their business philosophy, the areas of competence, and their experience and record of growth; and
- a fundamental analysis of the financial statements of the company, a review of the investments of the company and a review of analyst reports concerning the company.

2. TARGETED INVESTMENT JURISDICTIONS

As part of the current portfolio assessment, the board has taken the following views on the various investment jurisdictions and, after assessing the individual company performances and prospective performances, have identified certain counters in which to invest. While the specific counters have not been mentioned, anticipated returns across the counters for each jurisdiction are outlined as "Investments" below:

2.1 ASIA-PACIFIC REGION

Australia

Macro-economic

GDP growth is projected to be 2.8% in 2012 (versus 2.3% in 2011) as Australia demonstrates continued economic resilience as one of the few major economies to avoid recession during the credit crisis. Unemployment levels have remained relatively unchanged at 5.3% versus 5.2% a year ago. Australia should continue to benefit from its natural resources trade, particularly with China, but consumer spending has been muted over the year with consumers choosing to save rather than spend in the face of interest hike expectations earlier in the year. Policy rates were cut 50 basis points in the last two months of 2011 and are now at 4.25%, with futures markets implying further cuts in 2012 in response to an uncertain global economy and some soft domestic economic data.

Real Estate Markets

Having seen muted activity in 2011, the board is cautiously optimistic on the residential and retail sectors for 2012, which are likely to be the major beneficiaries of the recent interest rate cuts and associated pickup in consumer sentiment. The board expects industrial landlords to benefit from limited new supply and continued growth of Asia-Pacific economies. The board has become more cautious on the office sector, particularly the key Sydney central business district office market which is closely tied to global financial sentiment, where it is expected that rent growth expectations will be reduced.

Valuation

Valuations are attractive at greater than a 15% discount to the boards' estimate of net asset value ("NAV") versus a long-term average of a modest premium to NAV. Dividend yield on average is now over 6.0%, which is significantly above the 10-year bond yield of 3.7%. The Australian REIT market is expected to comfortably deliver 3% to 4% earnings growth in 2012 underpinned by contracted rent increases.

Other

Australian REITs have undergone a dramatic recalibration of business models, balance sheets and dividend policies that have re-oriented the sector toward a more sustainable, low beta, domestically-focused REIT model. Capital management discipline has improved, with companies looking to sell assets to fund accretive share buy-backs and extending and diversifying the length and source of their debt. Merger and acquisition potential is above average given many of the REITs trade at double-digit discounts to the board's estimate of NAV.

Investments

The board expects a dividend yield of 6% to 8%, with potentially expanding multiples and positive earnings growth in 2012 in the 3% to 4% range.

Hong Kong

Macro-economic

Hong Kong's GDP growth is expected to decelerate to 3.8% in 2012 (versus 5.0% growth in 2011), as the economy's sensitivity to global GDP growth suggests slowing economic activity in a more uncertain environment. The Chinese economy is also slowing, driven by ongoing domestic monetary tightening and considerably weaker external demand. Inflation peaked in July 2011 at 6.5% and had fallen to 4.2% by November 2011. On 30 November 2011, the People's Bank of China cut the Required Reserve Ratio by 50 basis points, a move signalling a potential change in China's monetary stance.

Real Estate Markets

The tide in the Hong Kong property market has turned more cautious since August 2011, when concern over sovereign credit intensified. Office rents in the bellweather Central sub-market recorded a 1% quarter-on-quarter drop after rising for seven consecutive quarters (60% cumulatively) as prospective tenants put off expansion plans. Residential property prices also have dropped 4% since June 2011 as restrictive administrative measures, rising mortgage spreads and uncertain global economic environment finally took some steam out of the market. The board favours retail over office based on resilient demand from both domestic consumers and Mainland Chinese tourists. The board remains cautious on the Chinese residential property markets due to regulatory headwinds. Property companies are operating in an extremely challenging environment with potential demand effectively cut off by purchase restrictions and/or harsh mortgage rationing. The board has noted that the Required Reserve Ratio cut could provide easier access to credit for property companies. In Hong Kong, the government has also expressed concern about external risks overshadowing the domestic economy.

Valuation

Stocks trade at deep discounts of over 35% to the board's estimated NAV, which is near one standard deviation lower than the long-term average discount. Earnings growth among the property companies remains highly dependent on development profits and is expected to grow at mid-single digit rate in 2012.

Other

The development companies that dominate the Hong Kong property market face a challenging operating environment as a result of softening property demand due to increased global economic uncertainties and ongoing government intervention to restrain property price growth. On the other hand, there are initial signs in China that a monetary easing cycle has started, which should bode well for property companies.

Investments

The board expects mid-single digit earnings growth, 3% to 5% dividend yield and modest multiple expansion (narrowing of NAV discount).

Singapore

Macro-economic

Singapore's economy is expected to decelerate to 3.0% in 2012 following growth of 4.8% in 2011 as this economy remains sensitive to exports, which have already been slowing in the second half of 2011 with growing global uncertainties. Key themes include "increased margin pressure" since demand is anticipated to slow in 2012 but costs are not expected to follow, and a shift in foreign labour policy to a "tightening bias," which could adversely impact the economic growth outlook.

Real Estate Markets

Demand will soften in 2012 as the result of a combination of a softer economy and punitive measures introduced by the government. With the introduction of punitive stamp duties for short-term investing, the secondary residential market has already slowed, along with the peaking of prices. However, as foreign buyers' participation in the residential market increased to nearly one-third, even seeping into the mass segment, the government introduced an additional buyer stamp duty for foreigners, which could significantly reduce volume next year. Also, with slower economic growth, the outlook for office demand is subdued; combined with 2012 supply, the board anticipates higher vacancy rates and lower rent being paid. Retail is expected to be resilient.

Valuation

Singapore property companies trade at an approximate 25% discount to NAV. The average dividend yield for the real estate operating companies is in the 2% range versus a yield on the 10-year bond of 1.6%. The average dividend yield for Singapore REITs is in the 7% range.

Other

Singapore property companies include pan-Asian platforms, which offer diversified long-term growth prospects versus companies focused on Singapore proper.

Investments

The board expects Singapore REITs dividend yield of 5% to 8% with positive earnings growth. Operating company performance will be impacted by persistent policy uncertainty.

2.2 EUROPE

Continental Europe

Macro-economic

The Eurozone has entered a recession in 2012 with projected GDP growth of -0.7%, which is down from 1.4% in 2011. The board expects deflation in the Eurozone in 2012 of between -0.25% and 0.75%, down from approximately +1.5% in 2011. Having already reversed the two 25 basis point interest rate rises implemented in the summer of 2011, the European Central Bank is expected to maintain accommodative fiscal policies for the foreseeable future, perhaps with a further 25 basis point rate cut, particularly in light of continuing sovereign debt concerns among a number of member countries, including those in Southern Europe and austerity programmes. Outside the Eurozone, Sweden will probably do only a little better given its reliance on Eurozone exports, while Switzerland grapples with a very strong Swiss franc.

Real Estate Markets

Against a difficult economic background, the board expects the resilient German and French residential markets to outperform. Dominant shopping malls will increase market share at the expense of the traditional high street (not including the Netherlands) but real rental growth will be tough to extract. In the office market, Paris CBD will continue to attract tenants but the board does not expect any positive net absorption. Other major office markets, like Amsterdam and Frankfurt, will find the going more difficult. By geography, the board prefers Western and Northern Europe over Eastern and Southern Europe. The board believes slower economic growth in peripheral European countries, a weaker Euro and a softening of the commercial property lending climate will ultimately negatively impact demand for commercial real estate.

Valuation

Valuations show an approximate 7% discount to the board's estimate of NAV. The average dividend yield of approximately 6.0% compares favourably to the yields on the German and French 10-year bonds of 1.8%. Earnings growth is projected to be modestly positive looking forward, in the 3% to 4% range for 2012, with rental indexation partially offset by pressure on occupancy and rising average interest rates.

Other

The board prefers companies with strong balance sheets that have no real covenant issues and that have access to equity and debt markets, with firepower for potential acquisitions as a source of earnings growth.

Investments

The board expects a dividend yield in the 5% to 8% range, modestly positive earnings growth with risk to the downside and potentially a multiple contraction of the economy.

United Kingdom

Macro-economic

The GDP growth forecast for 2012 is -0.4% which likely includes a mild recession. This compares to growth of 0.6% in 2011. The Bank of England has lowered policy rates to a post-war low of 0.5% for a number of months and is now confident that the current 5% inflation rate will fall significantly in 2012, particularly as the VAT hike from 15.0% to 17.5% in 2011 falls out of the comparables. Economic growth will continue to be dampened by austerity measures that will lead to redundancies in the public sector, and the private sector, unnerved by the Eurozone crisis, is unwilling to pick up the slack. With approximately 50% of the UK exports going to the Eurozone, and the UK's heavy reliance on cyclical financial services, 2012 promises to be a low growth environment.

Real Estate Markets

London has cemented its position as a globally attractive place to invest, and equity rich investors are bidding up prime assets, which show little sign of abatement. Supply in London offices remains very low, limiting the downside to rental values. Dominant shopping malls remain in demand by retailers that are looking for larger units and more targeted exposure to strong footfall, while the high street retail and secondary shopping malls struggle against rising vacancy. Yields have remained stable in the second half of 2011, supported by low interest rates which are likely to stay. The board prefers targeted London exposure and exposure to prime assets rather than having a preference for a particular property type.

Valuation

Certain property companies are trading at an approximate 24% discount to the board's estimate of NAV, which is wider than the long-term average and represents reasonable value given the strong balance sheets and attractive portfolios. The average dividend yield of approximately 4.7% compares favourably to a yield on the 10-year bond of 2.0%. This spread is significantly above the long-term average spread, which reflects in part the adoption of the REIT structure in the UK four years ago, and the unusually low but sticky current interest rate environment. Nonetheless, the threats in the Eurozone weigh heavily on the UK's open economy.

Other

The UK property market is characterised by long leases (10 to 15 years) that remain favourable to the landlord, a tight planning regime and a high proportion of long-term fixed rate debt, which effectively matches assets with liabilities. UK property companies continue to adapt to the REIT structure, now in place since early 2007, and are increasingly offering attractive yields in addition to prospective capital appreciation. The UK REIT rules are set to change in 2012 for the better, with the abolition of the 2% assets valuation tax on entry to the REIT regime, the introduction of AIM-listed REITs and the ability to maintain REIT status in the event of an overseas takeover.

Investments

The board expects a dividend yield in the 4% to 6% range, constant multiples and modestly positive earnings growth.

2.3 NORTH AMERICA

Canada

Macro-economic

Projected 2012 GDP is in the 2% range, slightly weaker than the 2.2% for 2011. Slow but steady economic growth and subdued inflation caused the Bank of Canada to hold its key overnight lending rate at 1% throughout 2011, but a recent soft patch in economic activity, particularly in the employment market, has raised concerns regarding the durability of the current recovery. Any further weakness in trends will likely cause the Bank of Canada to consider lowering rates in 2012 to induce economic growth.

Real Estate Markets

Western Canada stands to benefit from an improved commodity market, which should lead to solid rent growth, particularly in the multi-family and office sectors. Toronto remains stable, offering low single digit internal growth across most property types. Low interest rates have continued to drive higher property values nationwide.

Valuation

Property companies trade at a 9% premium to NAV, which is slightly above the long-term average. Dividend yields, currently in the 5% range are well above the 1.9% yield on the 10-year bond, and are in line with the historical spread. Dividend yields are above the global average and remain attractive for income-oriented investors.

Other

A very favourable lending environment and healthy access to the capital markets has sparked interest in public-to-public merger and acquisition activity. Several larger REITs may capitalise on the opportunity to consolidate smaller, less liquid peers.

Investments

The board expects a dividend yield in the 5% to 8% range, flat to slightly declining earnings multiples and 5% to 8% earnings growth.

United States

Macro-economic

The GDP growth forecast for 2012 is +1.3%, reflective of the "new normal" environment where de-leveraging efforts continue and political uncertainty leaves businesses and consumers cautious. This is down from 1.7% growth in 2011. The Federal Reserve Bank is expected to maintain an accommodative monetary policy with a target Fed Funds rate of nearly zero (0% to 0.25%). While the US economy is projected to recover at a more sluggish rate than prior recessions, recent macro-economic data have been incrementally positive, alleviating fears of a double-dip recession. A moribund housing market, high unemployment, and future austerity measures remain obstacles to a sustained rebound.

Real Estate Markets

By property type the board prefers the regional mall and apartment sectors. The board expects malls to generate solid organic and redevelopment-driven growth, with portfolio concentration within the higher productivity portfolios. Apartments are generating disproportionately high earnings growth as the result of a declining home-ownership rate, favourable demographics, and reasonable job growth from the college-age cohort. The board remains cautious toward the suburban office property sector, which requires stronger overall job growth to generate landlord pricing power.

Valuation

The modest premium to NAV at which US REITs trade is consistent with the long-term average. Core property types of retail, office and industrial trade at significant discounts to NAV offset somewhat by sectors trading at premiums including healthcare, triple net lease and self-storage. US REITs currently have an average dividend yield of 3.7% versus a yield on the 10-year Treasury of 1.9%. This spread between dividend yield and the yield on the 10-year Treasury is above the long-term average of approximately +100 basis points and, all else being equal, will increase further as REITs increase dividend payouts in 2012. The board expects dividends to increase at a double digit rate in 2012 as REITs increase their historically low payout ratios.

Other

US REITs have successfully repositioned balance sheets with significant equity and debt raised over the past several years. Credit markets remain wide open to public companies at a historically attractive cost of borrowing. As a result, companies are well positioned to take advantage of potential acquisitions.

Investments

The board expects a dividend yield in the 4% to 13% range (that will likely grow at a double digit rate), flat-to-slightly declining earnings multiples, and mid-to-high single digit earnings growth.

(*Source*: CBRE Clarion, Bloomberg, RBC Capital Markets, Deutsche Bank)

2.4 AFRICA

The listed real estate sector, whether in the form of REITs or otherwise, is less developed in Africa, outside South Africa. Accordingly, the strategy is to invest in direct real estate and at the same time to participate in developing the real estate industry in the identified countries so that in due course a listing may be effected on one or more African exchanges.

While there are currently other listings in Africa, mainly on the Nigerian exchange, they neither fit the commercial strategy of Rockcastle nor do these companies provide the critical mass or rigid corporate governance that would be required for an investment.

Each jurisdiction has its risks, but there is sufficient investment return to warrant consideration for selective investments in Africa. The identified jurisdictions include Nigeria, Ghana, Kenya and Tanzania.

Nigeria

Nigeria has made significant strides with its programme of economic reforms. The government has maintained prudent macro-economic policies, nurtured and strengthened the financial sector and is painstakingly transforming the structure of the economy away from its reliance on oil.

Real GDP growth was 7.0% in 2009, 8.1% in 2010, 7.7% for 2011 and is anticipated to be about 6.7% for 2012. CPI has decreased year-on-year from 2009 (12.5%) to an anticipated rate of 9% in 2012. The population of Nigeria is about 150 million people, with relatively little formal retail infrastructure.

From a real estate perspective, tenure has been a problem as well as partnering with suitable Nigerian counterparts. Rockcastle is mitigating these risks and has identified various funding partners, retailers and Nigerian business people with which to participate in joint ventures. These ventures will concentrate on smaller retail properties anchored by national and international retailers.

Depending on the size of the property, the tenant profile, the position (in larger versus smaller metropolitan areas) the anticipated yields on such developments vary between 8% to 13%.

Ghana

Ghana has followed an equally prudent macro-economic policy in the recent past. This has contributed to the easing of inflationary pressures, and led to a decline in interest rates. This has led to renewed confidence from the private sector in the economy and resulted in a rise in bank lending and capital flows. Ghana has been quick to partner with other emerging markets such as China and South Korea, which has provided additional funding and expertise.

Real GDP growth was 4.7% in 2009, 5.9% in 2010, 16% for 2011 and is anticipated to be about 11% for 2012. CPI has decreased year-on-year from 2009 (19.3%) to an anticipated rate of 6.9% in 2012. The population of Ghana is small at 25 million people, but they are relatively well educated and have little or no existing formal retail infrastructure.

Rockcastle is mitigating the risks associated with real estate investments in Ghana by identifying various funding partners, retailers and business people with which to participate in joint ventures. These ventures will concentrate on smaller retail properties anchored by national and international retailers.

Depending on the size of the property, the tenant profile, the position (in larger versus smaller metropolitan areas) the anticipated yields on such developments vary between 9% to 13%.

Kenya

While Kenya has also followed prudent fiscal and monetary policies, it needs to reduce its reliance on agricultural outputs (and thereby limit its vulnerability to climactic hazards, and the continuation of possible political shock to its system).

While real GDP growth has shown a positive trend, it is not quite in the position of its neighbours in West Africa. Real GDP growth was 2.6% in 2009, 5.0% in 2010 5.3% for 2011 and is anticipated to be about 5.5% for 2012. CPI has also decreased year-on-year, though not with the same consistency as its West African colleagues, from 2009 (10.5%) to an anticipated rate of 7.6% in 2012. The population of Kenya is fairly large at 42 million people.

Existing infrastructure is better developed in Kenya, but Rockcastle is further mitigating the risks associated with real estate investments by identifying various funding partners, retailers and business people with which to participate in joint ventures. These ventures may focus on office buildings and on smaller retail properties anchored by national and international retailers.

Depending on the size of the property, the tenant profile, the position (in larger versus smaller metropolitan areas) the anticipated yields on such developments vary between 7% to 12%.

Tanzania

Tanzania registered eight consecutive years of GDP growth in excess of 6%, until the global economic crisis started to affect growth from early 2009. Economic prospects for the medium term continue to improve with inflationary pressures being low, gold prices being high and general investor sentiment towards the East African region being upbeat.

Real GDP growth was 6.0% in 2009, 6.8% in 2010, 6.5% for 2011 and is anticipated to be about 7.3% for 2012. CPI has also decreased year-on-year from 2009 (12.1%) to an anticipated rate of 6.2% in 2012. The population of Tanzania is reasonably large at 43.5 million people.

Existing infrastructure is better developed in Tanzania, when compared to its West African neighbours. Rockcastle's ventures in this country may focus on office buildings and on smaller retail properties anchored by national and international retailers.

Depending on the size of the property, the tenant profile, the position (in larger versus smaller metropolitan areas) the anticipated yields on such developments vary between 8% to 14%.

(*Source*: African Economic Outlook, OECD, World Bank).

COMPANY INVESTMENTS

The table below sets out all of the listed securities in which the company has invested as at the last practicable date*:

Security code	Security name	Country	Company profile	Securities purchases	Investment amount (Local currency)	Currency Conversion	Investment amount (US$)
NLY US	Annaly Capital Management	US	Mortgage REIT: Annaly Capital Management Inc. is a REIT which manages a portfolio of mortgage backed securities, including mortgage pass through certificates, collaterised mortgage obligations, and other securities.	24 500	407 925.00	1.000	407 925.00
CLI US	Mack-Cali Realty	US	Office REIT: Mack-Cali Realty Corporation is a fully integrated, self administered, self managed REIT providing management, leasing, development, construction, and other tenant related services for its class A real estate portfolio. The properties are primarily office and office/flex buildings.	10 000	272 900.00	1.000	272 900.00
MFA US	MFA Financial	US	Mortgage REIT: MFA Financial Inc. is a mortgage REIT that invests primarily in hybrid adjustable rate mortgage securities issued or guaranteed by an agency of the United States' government.	53 000	407 040.00	1.000	407 040.00
KIM US	Kimco	US	Retail REIT: Kimco Realty Corporation is a REIT which owns and operates neighbourhood and community shopping centres in the United States, with locations in multiple states as well as Puerto Rico, Canada, Mexico, Chile, Brazil and Peru.	15 200	276 640.00	1.000	276 640.00
ECMPA NA	Eurocommercial	Europe	Retail REIT: Eurocommercial Properties N.V. is a real estate investment company which owns and operates shopping centres in France, Italy and Sweden.	8 300	210 855.69	1.250	263 569.61
CORA NA	Corio	Europe	Corio NV is a property investment company the portfolio of which consists primarily of retail properties in the Netherlands, France, Italy and Spain.	13 100	434 955.66	1.250	543 694.58

Security code	Security name	Country	Company profile	Securities purchases	Investment amount (Local currency)	Currency Conversion	Investment amount (US$)
VASTN NA	Vastned Retail	Europe	Retail REIT: Vastned Retail is a closed-end property investment company that owns retail buildings in the Netherlands, Belgium, Spain, France and Turkey.	6 800	216 557.83	1.250	270 697.29
UL FP	Unibail-Rodamco	Europe	Retail REIT: Unibail-Rodamco properties, mainly shopping centres, office buildings and convention-exhibition centres, are primarily located in European city centres or near major access routes.	68	9 112.00	1.250	11 390.00
BLND LN	British Land	UK	Diversified REIT: British Land Company plc portfolio consists of central London offices, retail superstores, shopping centres, leisure, industrial and distribution spaces in high-quality locations.	37 000	176 490.00	1.550	273 559.50
2778 HK	Champion REIT	Hong Kong	Office REIT: Champion REIT invests in A grade office space and prime retail space in Hong Kong.	675 000	2 092 500.00	7.763	269 547.86
CT SP	Capitamall Trust	Singapore	Retail REIT: CapitaMall Trust is a REIT which owns and invests in retail properties primarily in Singapore.	385 000	689 150.00	1.282	537 558.50
CREIT SP	Cambridge REIT	Singapore	Industrial REIT: Cambridge Industrial Trust is a REIT that invests in industrial income producing real estate and related assets in Singapore.	660 000	361 726.20	1.282	282 157.72
GOZ AU	Growthpoint Australia	Australia	Diversified REIT: Growthpoint Properties Australia is a property trust investing in retail, office and industrial properties.	125 000	262 425.00	0.990	259 800.75
Total							**4 076 480.80**

* As at the last practicable date the company did not own any unlisted securities

SHARE CAPITAL AND SHAREHOLDING

1. MAJOR AND CONTROLLING SHAREHOLDERS

Set out below are the names of shareholders that, directly or indirectly, are expected to be interested in 5% or more of the issued share capital of Rockcastle immediately before the SA private placement:

	Registered shareholder	Beneficial owner	Number of shares	Percentage of issued share capital
1.	Bear Holdings Limited	Tiberiu Smaranda	1 000 000	16.13
2.	Hex Holdings Limited	Mirela-Florenta Covasa	1 000 000	16.13
3.	Prisum Holdings Limited	Andra-Bianca Anghelescu	1 000 000	16.13
4.	Spike Holdings Limited	Adrian Chirac	1 000 000	16.13
5.	Sabre Nominees Limited	Martin Slabbert	500 000	8.04

As at the last practicable date, there is no controlling shareholder and it is not anticipated that there will be a controlling shareholder immediately following the SA private placement and listing.

2. SHARES ISSUED OTHER THAN FOR CASH

6 200 000 Rockcastle shares were issued pursuant to a placing in anticipation of Rockcastle's listing on the SEM.

3. COMPANY'S ISSUED SHARE CAPITAL

The issued share capital of the company, immediately before the SA private placement and the listing, is as follows:

Stated capital	Issued shares
	US$
6 201 000 ordinary no par value shares	6 201 000
Total	**6 201 000**

Assuming that all of the private placement shares will be subscribed for the issued share capital of the company after the SA private placement and the listing will be as follows:

	Issued shares
	US$
16 201 000 ordinary no par value shares	16 201 000
Total	16 201 000

The company does not hold any shares in Treasury.

In terms of Clause 4.1 of the Constitution, subject to certain pre-emptive conditions, the members in general meeting may authorise the board to issue shares and/or grant options at any time to any person. On 6 July 2012, the shareholders of the company passed a resolution authorising the board to issue up to 100 000 000 additional shares subject to the Mauritian Companies Act 2001, the Rules of the SEM and the JSE at a minimum price equal to the 30-day volume weighted average traded price of Rockcastle shares prior to the placing on the relevant exchange and which authority shall be valid until the company's first annual general meeting of members.

All the shares to be issued in terms of the pre-listing statement, will be of the same class and will rank *pari passu* with all other issued shares of the company.

4. **ALTERATIONS TO SHARE CAPITAL OF THE COMPANY**

4.1 The company was incorporated on 30 March 2012 in Mauritius as a GBL1 company with an issued share capital of 1 000 shares issued at US$1.00 per share. 6 200 000 shares were issued on 5 June 2012 at US$1.00 per share preceding Rockcastle's listing on the SEM. On 9 July 2012 the shareholders of the company passed a resolution authorising for purposes of the SA private placement, the issue of up to 10 000 000 Rockcastle shares at a subscription price equal to the Rand equivalent of US$1.00 per share. Accordingly:

4.1.1 save as set out in paragraph 4.1 above, there have been no issues or offers of securities of the company since incorporation;

4.1.2 there have been no consolidations or sub-divisions of shares in the company since incorporation;

4.1.3 save as set out in paragraph 4.1 above, no offers for shares in the company have been made to the public since incorporation;

4.1.4 no share repurchases have been undertaken by the company since incorporation; and

4.1.5 there has been no amount payable by way of premium on any share issued by the company since incorporation.

4.2 The company has its primary listing on the SEM and will have a secondary listing on the JSE.

5. **FOUNDERS AND MANAGEMENT SHARES**

There are no deferred shares.

Shares held as at the listing date by founders and the directors of the company are set out in **Annexure 5**.

6. **OPTIONS AND PREFERENTIAL RIGHTS**

There are no preferential conversion, redemption and/or exchange rights in respect of any of the shares or other securities.

There are no contracts, arrangements or proposed contracts or arrangements whereby any option or preferential right of any kind was or is proposed to be given to any person to subscribe for or acquire any shares in the company.

7. **FRACTIONS**

No fractions of shares have been issued.

DIRECTORS, EXECUTIVE MANAGEMENT, FOUNDERS, APPOINTMENT, QUALIFICATION, REMUNERATION AND BORROWING POWERS

1. FULL NAMES, NATIONALITIES, AGES, BUSINESS ADDRESSES, ROLES, QUALIFICATIONS, OCCUPATIONS AND EXPERIENCE OF EACH DIRECTOR

The full names (including former names, if applicable), nationalities, ages, business addresses, roles, term of office, qualifications, occupations and other directorships of each of the directors of the company and each of its material subsidiaries and the proposed directors of the company and executive management are set out below:

Director, age, nationality and qualification	Role	Business address	Occupation and experience	Directorships held
Craig Hallowes (43) (South African) BA, LLB, ILPA-CFP (UOFS), LLM (Taxation), MBA	Chief executive officer	4th Floor Rivonia Village Rivonia Boulevard Rivonia 2191 South Africa	Craig is currently a director of Fortress Asset Managers (Proprietary) Limited and Property Index Tracker Managers (Proprietary) Limited. He was actively involved in the turnaround process at both Capital Property Fund and Pangbourne Properties Limited. Craig worked at Bowman Gilfillan Attorneys, qualified as an attorney and practiced for a number of years, concentrating in the fields of commerce and litigation. He then joined Investec and Investec Asset Management where he held various positions.	Antediluvian Investments (Proprietary) Limited APR Property Company (Proprietary) Limited Atlantis Property Company (Proprietary) Limited Caprohold (Proprietary) Limited Bellador Properties (Proprietary) Limited Caprohold 1 (Proprietary) Limited Fortress Asset Managers (Proprietary) Limited iFour Properties Limited iFour Properties SA (Proprietary) Limited iFour Properties Two (Proprietary) Limited iFour Properties Three (Proprietary) Limited Numan Investments CC Pangbourne Investments (Proprietary) Limited Pangbourne Properties Limited Panhold (Proprietary) Limited Property Index Tracker Managers (Proprietary) Limited Raceway Industrial Park (Proprietary) Limited Raceway Industrial Warehouse (Proprietary) Limited Raceway Industrial Park Phase IV (Proprietary) Limited Raceway Property Owners Association (Proprietary) Limited Randjiespark Extension 13 (Proprietary) Limited Sipan 1 (Proprietary) Limited Siyathenga Properties One (Proprietary) Limited Siyathenga Properties Two (Proprietary) Limited Siyathenga Properties Three (Proprietary) Limited Venturon Property Company (Proprietary) Limited

Director, age, nationality and qualification	Role	Business address	Occupation and experience	Directorships held
Stephen Delport (31) (South African) BSc (Hons) Mathematics	Financial director	4th Floor Rivonia Village Rivonia Boulevard Rivonia 2191 South Africa	Stephen has a BSc with financial orientation, majoring in mathematics, mathematical statistics and economics; and a BSc (Hons) Mathematics from Rand Afrikaans University. Stephen has gained a thorough insight into global-listed real estate securities, having managed several types of portfolios to date including collective investment schemes, Exchange Trade Funds ("**ETF's**"), and hedge funds. He is currently a director of Fortress Asset Managers (Proprietary) Limited, a boutique asset manager focused on real estate, and managing director of Property Index Tracker Managers (Proprietary) Limited, which offers two ETF's listed on the JSE.	Boabab Consulting CC Fortress Asset Managers (Proprietary) Limited Fortress Income Investment Advisors (Proprietary) Limited Property Index Tracker Managers (Proprietary) Limited
Mark Cyril Olivier (44) (British and Mauritian) CA(SA)	Independent non-executive chairman	Suite 114 3rd Floor Medine Mews Chaussée Port Louis Mauritius	Mark has over 15 years' experience in providing corporate finance and strategic advice to both British and South African companies. He was part of a senior management team responsible for the establishment and strategic development of a British-based asset management and private banking business with over £2 billion under management. Mark has managed over £400 million of excess capital for a bank, investing in several debt and private equity opportunities. Mark was previously employed by Hawkpoint Partners (corporate advisory), BoE Limited (Bank and Asset Manager) and KPMG (Accounting). Mark is the co-founder of Hibridge Capital and is self-employed since 2003.	Affordable Houses Company Limited Hibridge Corporate Services Limited Hibridge Capital UK Limited Hibridge Investments Limited M Capital (Proprietary) Limited SA Investment Opportunities Limited Trellidor Holdings Limited
Rory Kenneth Denoon Kirk (56) (Mauritian) Bachelor of Social Science and Diploma in Business Management	Independent non-executive director	Suite 114 3rd Floor Medine Mews Chaussée Port Louis Mauritius	Rory is the founder and managing director of Frontière Finance, a Mauritian financial services business. Rory has many years of financial services, insurance and banking experience having been involved in this field since the early 1980s in a number of roles at a variety of institutions.	Frontière Finance Limited Frontière Trustees Limited Hibridge Corporate Services Limited

Director, age, nationality and qualification	Role	Business address	Occupation and experience	Directorships held
Yan Chong Ng Cheng Hin (37) (Mauritian) BSc (Hons), MSc, ACA, TEP	Non-independent non-executive director	Intercontinental Trust Level 3 Alexander House 35 Cybercity Ebene Mauritius	Yan Ng is an Executive Director of Intercontinental Trust Limited. He is in charge of the Fund Administration operations and advises clients on all fund-related aspects including tax and regulatory matters and the structuring and the establishment of funds in Mauritius. Yan is on the board of a number of Mauritian funds. Yan has previously acted as an audit manager with Baker Tilly Mauritius and as a senior auditor of Deloitte in Luxembourg. He trained as a Chartered Accountant in London. Yan graduated from the University of Mauritius (BSc (Hons)) with a degree in management and achieved a Masters in Finance (MSc) from Lancaster University. He is a member of the Institute of Chartered Accountants in England and Wales and of the Society of Trust and Estate Practitioners. He is the treasurer of the International Fiscal Association (Mauritius branch) and an executive committee member of the Association of Trust and Management Companies in Mauritius.	Augentius Fund Administration (Mauritius) Limited Bestley Investments Limited Intercontinental Trust Limited Professional Secretaries Limited*

* Directorships in respect of GBL1 and Cayman Islands registered companies have been excluded.

2. REMUNERATION OF DIRECTORS OF ROCKCASTLE

The remuneration and benefits to be paid by the company (directly or indirectly) to the directors in their capacity as directors (or in any other capacity) for the financial year ended 30 June 2013 will be US$90 000 as set out below:

Director	Basic salary US$	Director's fees	Other fees	Performance bonus	Expense allowance	Other material benefits^	Pension scheme contributions	Commission	Shares or share options or similar rights†	Share of profit	Total US$
Craig Hallowes	25 000	–	–	–	–	–	–	–	–-	–	25 000
Stephen Delport	25 000	–	–	–	–	–	–	–	–-	–	25 000
Mark Olivier	–	20 000	–	–	–	–	–	–	–-	–	20 000
Roy Kirk	–	20 000	–	–	–	–	–	–	–-	–	20 000
Yan Chong Ng Cheng Hin	–	–	–	–	–	–	–	–	–-	–	–
Total											**90 000**

Mr Yan Chong Ng Cheng Hin is an appointee of the management company and will not be paid directors' fees

As the company was only incorporated on 30 March 2012 no fees have been paid to the directors of the company as at the last practicable date.

No fees are paid or accrued as payable to a third party *in lieu* of directors' fees.

There shall be no variation to the fees receivable by any of the directors as a consequence of the listing.

3. EXECUTIVE FINANCIAL DIRECTOR

The board has considered and satisfied itself that Stephen Delport, being the financial director of Rockcastle, has the appropriate experience and expertise to fulfil this role.

4. DIRECTORS' INTERESTS IN SECURITIES

As at the last practicable date, Rory Kirk held 1 000 shares in the capital of the company.

5. DIRECTORS' INTERESTS IN TRANSACTIONS

The directors of the company had no beneficial interest in transactions entered into by the company:

- during the current financial year; or
- since incorporation; or
- during an earlier financial year which remain in any respect outstanding or unperformed.

No amount has been paid to any director (or to any company in which he is interested (whether directly or indirectly) or of which he is a director or to any partnership, syndicate or other association of which he is a member) since incorporation of the company (whether in cash or securities or otherwise) by any person either to induce him to become or to qualify him as a director or otherwise for services rendered by him (or by the associated entity) in connection with the promotion or formation of the company.

6. DIRECTORS' INTERESTS IN PROPERTY ACQUIRED OR TO BE ACQUIRED

No director has had any material beneficial interest, direct or indirect, in the promotion of the company or in any property acquired or proposed to be acquired by the company out of the proceeds of the capital raise or otherwise in the three years preceding the last practicable date and no amount has been paid during this period, or is proposed to be paid to any director.

7. TERMS OF OFFICE

None of the directors have entered into a service contract with the company and, accordingly, the appointment of the directors is indefinite but remains subject to all applicable law and the provisions of the company's Constitution.

8. DIRECTORS' DECLARATIONS

The following signed declarations have been made by each director as required in terms of Schedule 21 of the JSE Listings Requirements. None of the directors have:

- been a director of a company that has been put into liquidation or been placed under business rescue proceedings or had an administrator or other executor appointed during the period when he was (or within the preceding 12 months had been) one of its directors, or alternate directors or equivalent position;
- either themselves or any company of which he was a director or an alternate director or officer at the time of the offence, been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act;
- been removed from an office of trust, on grounds of misconduct, involving dishonesty;
- been disqualified by a court from acting as a director of the company, or from acting in management or conduct of the affairs of any company;
- been appointed as a director of an Alt^X company;
- been convicted of an offence resulting from dishonesty, fraud, theft, perjury, misrepresentation or embezzlement;
- been adjudged bankrupt or sequestrated in any jurisdiction;
- been a party to a scheme of arrangement or made any other form of compromise with his creditors;
- been found guilty in disciplinary proceedings, by an employer or regulatory body, due to dishonest activities;
- had any court grant an order declaring him to be a delinquent or placed such director under probation in terms of section 162 of the Companies Act and/or 47 of the Close Corporations Act, 1984 (Act 69 of 1984);
- been barred from entry into any profession or occupation; or
- been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act.

9. CONSTITUTION

The relevant extracts of the Constitution of the company providing for the appointment, qualification, retirement, remuneration and borrowing powers of the directors and the power enabling a director to vote on a proposal, arrangement or contract in which he is materially interested are set out in **Annexure 11**.

10. BORROWING POWERS

As set out more fully in **Annexure 11**, the borrowing powers of the company and its subsidiaries exercisable by the directors are unlimited and, accordingly, have not been exceeded since incorporation of the company.

11. NO THIRD PARTY MANAGER

Save for the appointment of ITL as company secretary to Rockcastle, no business of the company nor any of its subsidiaries nor any part thereof is managed or proposed to be managed by a third party under a contract or arrangement.

12. SUMMARY OF EXISTING OR PROPOSED CONTRACTS (WHETHER WRITTEN OR ORAL) RELATING TO DIRECTORS' AND MANAGERIAL REMUNERATION, RESTRAINT PAYMENTS, ROYALTIES AND SECRETARIAL AND TECHNICAL FEES

None of the directors have entered into a service contract with the company and, accordingly, the appointment of the directors is indefinite but remains subject to all applicable laws and the provisions of the company's Constitution.

13. DIRECTORS' EMOLUMENTS

13.1 Under the arrangements in force as at the date of this pre-listing statement, the aggregate remuneration and benefits in kind receivable by the directors and proposed directors of the company for the financial year ended 30 June 2012 was US$5 000. As the company was only incorporated on 30 March 2012 the directors have not been paid any other fees by the company.

13.2 As at the date of this pre-listing statement, there were no other contracts or arrangements in which the directors were materially interested and which were significant in relation to the business of the company.

13.3 As at the date of this pre-listing statement, there are no existing contracts or proposed contracts, either written or oral, relating to directors' managerial remuneration, secretarial fees, technical fees and restraint payments.

HISTORICAL FINANCIAL INFORMATION OF ROCKCASTLE

The extracts from the financial statements of Rockcastle for the period ended 31 March 2012 as set out below falls under the responsibility of the board of Rockcastle:

Review of activities

Main business and operations

The company has been established in Mauritius as a public company limited by shares holding a category one Global Business License with the primary objective of investing in real estate assets and companies that are high yielding with the prospect of capital appreciation.

The company was incorporated on 30 March 2012 and has not traded during the period ended 31 March 2012.

There has been no change in the nature of the business of the company since its incorporation.

Share schemes

The company does not operate any share schemes involving employees.

Loans receivable

The company did not have any loans receivable during the relevant period nor did it furnish any loan for the benefit of any director or manager or any associate of any director or manager.

Borrowings

The company does not have any borrowings as at 31 March 2012.

Stated capital

1 000 ordinary no par value shares for a consideration of US$1 000 were issued on incorporation.

Subsequent events

Other than as disclosed in this pre-listing statement to which these financial statements are attached, no material fact or circumstance has occurred, as at the last practicable date.

STATEMENT OF FINANCIAL POSITION

at 31 March 2012

	Notes	31 March 2012 US$
Assets		
Current assets		
Cash and cash equivalents	2	1 000
Total assets		**1 000**
Equity		
Stated capital	3	1 000
Total equity		**1 000**
Net asset value per share		1.00
Net tangible asset value per share		1.00

1. ACCOUNTING POLICIES

Rockcastle Global Real Estate Company Limited (the "company") is a public company limited by shares holding a category one Global Business License, domiciled in Mauritius. Its registered office is at Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius.

The functional and presentation currency of the company is United States Dollars (US$).

As the company was incorporated on 30 March 2012 and has not previously traded, a statement of comprehensive income, a statement of changes in equity and a statement of cash flows have not been presented.

1.1 Basis of preparation

The historical financial information for the period ended 31 March 2012 has been extracted, without adjustment from the audited statutory financial statements of the company. The audited statutory financial statements of the company for the period ended 31 March 2012 have been prepared in accordance with International Financial Reporting Standards and interpretations of these standards ("**IFRSs**") adopted by the International Accounting Standards Board and with those parts of the Mauritius Companies Act 2001 applicable to companies preparing their accounts under IFRS.

1.2 Financial instruments

Financial assets and liabilities are recognised in the statement of financial position when the group has become party to the contractual provisions of the instrument.

The only financial instrument held at 31 March 2012 was cash. Cash balances are initially recognised at fair value and subsequently measured at amortised cost.

Equity instruments issued by the group

Classification as debt or equity – Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments – An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs.

1.3 Significant judgements and areas of estimation

As the company's only asset is cash and it has not traded during the period ended 31 March 2012 there are no areas where management has applied judgement in the application of accounting policies and there are no areas of estimation uncertainty where there is a significant risk of a material adjustment to the carrying value of the asset in the next financial period.

		31 March 2012 US$
2.	**CASH AND CASH EQUIVALENTS**	
	Cash and cash equivalents consist of:	
	Cash in hand	1 000
		1 000
3.	**STATED CAPITAL**	
	1 000 ordinary shares no par value	1 000
		1 000

4. **STATEMENTS OF INTERNATIONAL FINANCIAL REPORTING STANDARDS, AMENDMENTS THERETO AND INTERPRETATIONS THEREOF NOT YET EFFECTIVE**

There are a number of standards, amendments to standards and interpretations not yet effective. As the company has not traded and has no assets other than cash when adopted, these standards will have no effect on the financial position or results of the company.

5. **FINANCIAL RISK MANAGEMENT**

The company has no significant assets, no liabilities and has not previously traded. Therefore at 31 March 2012 it was not exposed to any significant financial risks.

6. **EVENTS SUBSEQUENT TO THE REPORTING DATE**

Apart from the proposed listing of the company on the JSE Limited, the subject of the pre-listing statement of which this report is an annexure, there are no material events occurring subsequent to 31 March 2012 and up to the date of this report that require further disclosure for an appreciation of the state of affairs of the company.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF ROCKCASTLE

"The Board of Directors
Rockcastle Global Real Estate Company Limited
Level 3, Alexander House
35 Cybercity
Ebene, Mauritius

11 July 2012

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF ROCKCASTLE GLOBAL REAL ESTATE COMPANY LIMITED

Introduction

At your request and for the purposes of the pre-listing statement of Rockcastle Global Real Estate Company Limited ("**Rockcastle**" or "**the Company**") regarding the proposed secondary listing of Rockcastle's shares on the Alternative Exchange of the JSE Limited ("**the JSE**"), to be dated on or about 16 July 2012 ("**the PLS**"), we present our report on the historical financial information of Rockcastle, comprising the statement of financial position, as at 31 March 2012 ("**the Historical Financial Information**"), as set out in **Annexure 6** to the PLS, for the purposes of complying with the Listings Requirements of the JSE. BDO & Co are the independent auditors of Rockcastle.

Responsibility of the directors

The directors of Rockcastle ("**the Directors**") are responsible for the compilation, contents and preparation of the PLS in accordance with the JSE Listings Requirements. The Directors are responsible for the preparation and fair presentation in accordance with International Financial Reporting Standards of the Historical Financial Information contained therein to which this independent reporting accountants' report relates. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Historical Financial Information that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the Independent Reporting Accountants

Our responsibility is to express an opinion on the Historical Financial Information included as **Annexure 6** to the PLS.

Historical Financial Information for the period ended 31 March 2012

Introduction

We have audited the Historical Financial Information for the period ended 31 March 2012.

Responsibility of the independent reporting accountants on the Historical Financial Information for the period ended 31 March 2012

We conducted our audit of the Historical Financial Information for the period ended 31 March 2012 in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the Historical Financial Information for the period ended 31 March 2012 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the abovementioned Historical Financial Information for the period ended 31 March 2012. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Historical Financial Information for the period ended 31 March 2012, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Historical Financial Information for the period ended 31 March 2012 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Historical Financial Information for the period ended 31 March 2012.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on Historical Financial Information for the period ended 31 March 2012

In our opinion, the Historical Financial Information for the period ended 31 March 2012, included in the PLS presents fairly, in all material respects, the financial position of Rockcastle as at 31 March 2012 in accordance with International Financial Reporting Standards and in the manner required by the JSE Listings Requirements.

Consent

We consent to the inclusion of this report, which will form part of the PLS in the form and context in which it appears.

Yours faithfully

Nigel Griffith
Registered Auditor

BDO South Africa Incorporated
22 Wellington Road
Parktown
2193"

UNAUDITED *PRO FORMA* STATEMENT OF FINANCIAL POSITION OF ROCKCASTLE

The unaudited *pro forma* statement of financial position is the responsibility of the directors of Rockcastle. The unaudited *pro forma* statement of financial position has been prepared for illustrative purposes only, and because of its nature, may not fairly present Rockcastle's financial position, changes in equity, results of operations or cash flows.

The unaudited *pro forma* statement of financial position has been prepared to illustrate the impact of the Mauritian private placement, the acquisition of listed real estate securities and the SA private placement (collectively, "**the *pro forma* adjustments**") on the reported financial information of Rockcastle for the period ended 31 March 2012. The unaudited *pro forma* statement of financial position is based on the assumption that the *pro forma* adjustments had been implemented on 31 March 2012 (the date immediately after incorporation of the company).

The independent reporting accountants' limited assurance report on the unaudited *pro forma* statement of financial position is set out in **Annexure 9**.

The unaudited *pro forma* statement of financial position has been prepared in accordance with the accounting policies of the Rockcastle as set out in **Annexure 13**.

All figures are given to the nearest United States Dollar.

Unaudited *pro forma* statement of financial position
Set out below is the unaudited *pro forma* statement of financial position of Rockcastle reflecting the effects of the *pro forma* adjustments:

	Before[1] US$ Actual	Adjustments for the Mauritian private placement[2] US$ *Pro forma*	Adjustments for the acquisition of investments US$ *Pro forma*	After the Mauritian private placement and acquisition of investments[2e] US$ *Pro forma*	Adjustments for the SA private placement US$ *Pro forma*	After the SA private placement[6] US$ *Pro forma*
ASSETS						
Non-current assets						
Investments	–	–	4 076 481[2d]	4 076 481	–	4 076 481
Current assets						
Cash and cash equivalents	1 000	5 994 289[2a,2b]	(4 076 481)[2d]	1 918 808	9 758 455[3,4,7]	11 677 263
Total assets	**1 000**	**5 994 289**	**–**	**5 995 289**	**9 758 455**	15 753 744
EQUITY						
Total equity attributable to equity holders	**1 000**	**5 994 289**	**–**	**5 995 289**	**9 758 455**	15 753 744
Stated capital	1 000	5 994 289[2a,2c]	–	5 995 289	9 758 455[3,5]	15 753 744
Accumulated loss	–	–	–	–	–	–
Total equity	**1 000**	**5 994 289**	**–**	**5 995 289**	**9 758 455**	15 753 744
Number of shares in issue	1 000	6 200 000[2a]	–	6 201 000	10 000 000[3]	16 201 000
Net asset value per share (US$)	1.00	–	–	0.97	–	0.97
Net tangible asset value per share (US$)	1.00	–	–	0.97	–	0.97

Notes and assumptions:

1. The "Before" financial information has been extracted without adjustment from the audited statement of financial position of Rockcastle as at 31 March 2012, as set out in **Annexure 6**.
2. Rockcastle listed 6 201 000 shares on the Official List of SEM on 5 June 2012 subsequent to an offer of 6 200 000 shares to targeted investors ("**Mauritian private placement**"). Part of the proceeds raised in terms of the Mauritian private placement were utilised to fund the acquisition of certain listed securities as set out in note 2d below. The Mauritian private placement and the acquisition of listed securities are considered to be post-balance sheet events and would be considered misleading if the adjustments were not made. The adjustments in respect of the Mauritian private placement and the acquisition of listed securities are as follows:
   a. 6 200 000 shares were issued pursuant to the Mauritian private placement at US$1.00 per share, thereby raising capital of US$6.2 million.
   b. Payment of transaction costs amounting to US$0.21 million in respect of the Mauritian private placement.
   c. The deduction from stated capital of the transaction costs of US$0.21 million, directly attributable to the Mauritian private placement, accounted for in accordance with IAS 32: Financial Instruments.
   d. Part of the proceeds raised in terms of the Mauritian private placement (after payment of transaction costs of US$0.21 million) were utilised to acquire listed real estate securities, accounted for in accordance with IAS 39: Financial Instruments: *Recognition and Measurement*, further details of which are provided in **Annexure 3**.
   e. The "After the Mauritian private placement" is the "Before" financial information incorporating the adjustments in respect of notes 2a to 2d above.
3. 10 000 000 shares are assumed to be issued pursuant to the SA private placement at US$1.00 per share (converted at a US$:ZAR exchange rate of US$1.00:R8.20) thereby raising capital of US$10 million.
4. Payment of estimated transaction costs amounting to US$0.24 million (converted at a US$:ZAR exchange rate of US$1.00:R8.20) in respect of the SA private placement.
5. The deduction from stated capital of the estimated transaction costs of US$0.24 million, directly attributable to the SA private placement, accounted for in accordance with IAS 32: Financial Instruments.
6. The "After the SA private placement" column reflects the "After the Mauritian private placement" column after incorporating the adjustments in respect of notes 3 to 5 above.
7. The proceeds raised from the SA private placement are intended to be used to finance yield-enhancing investment opportunities in real estate securities and direct property assets. However, there are no firm commitments at the date of this pre-listing statement to deploy the proceeds which will be received from the SA private placement and, accordingly, there is no factually supportable financial information regarding potential investments. Consequently, it has been assumed that the net proceeds of the SA private placement (after payment of estimated costs of approximately US$0.24 million) have been invested in cash and cash equivalents.

INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT ON THE UNAUDITED *PRO FORMA* STATEMENT OF FINANCIAL POSITION OF ROCKCASTLE

"The Board of Directors
Rockcastle Global Real Estate Company Limited
Level 3, Alexander House
35 Cybercity
Ebene, Mauritius

11 July 2012

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT ON THE UNAUDITED *PRO FORMA* STATEMENT OF FINANCIAL POSITION OF ROCKCASTLE GLOBAL REAL ESTATE COMPANY LIMITED

Introduction

We have performed our limited assurance engagement with regard to the unaudited *pro forma* statement of financial position (the "***pro forma* financial information**") of Rockcastle Global Real Estate Company Limited ("**Rockcastle**" or "**the Company**") set out in **Annexure 8** to the pre-listing statement of Rockcastle, to be dated on or about 16 July 2012 ("**the PLS**"), issued in connection with the proposed secondary listing of Rockcastle's shares on the Alternative Exchange of the JSE limited ("**the JSE**"), by way of an offer to invited investors to subscribe for up to 10 000 000 ordinary shares in Rockcastle ("**the SA Private Placement**").

The *pro forma* financial information has been prepared for purposes of complying with the JSE Listings Requirements, for illustrative purposes only, to provide information of how the SA Private Placement might have affected the reported financial information of Rockcastle had the SA Private Placement been undertaken on 31 March 2012 for statement of financial position purposes.

Because of its nature, the unaudited *pro forma* financial information may not present a fair reflection of the results of operations, financial position and changes in equity of Rockcastle after the SA Private Placement.

Directors' responsibility

The directors of Rockcastle ("**the Directors**") are solely responsible for the compilation, contents and presentation of the unaudited *pro forma* financial information contained in the PLS and for the financial information from which it has been prepared.

Their responsibility includes determining that the unaudited *pro forma* financial information contained in the PLS has been properly compiled on the basis stated, the basis is consistent with the accounting policies of Rockcastle and the *pro forma* adjustments are appropriate for the purposes of the unaudited *pro forma* financial information as disclosed in terms of the JSE Listings Requirements.

Reporting accountants' responsibility

Our responsibility is to express a limited assurance conclusion on the unaudited *pro forma* financial information included in the PLS. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial information and the Revised Guide on Pro Forma Financial Information issued by The South African Institute of Chartered Accountants.

This standard requires us to comply with ethical requirements and to plan and perform the assurance engagement to obtain sufficient appropriate audit evidence to support our limited assurance conclusion, expressed below.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited *pro forma* financial information, beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted audited historical financial information of Rockcastle with the source documents, considering the *pro forma* adjustments in light of the accounting policies of Rockcastle, considering the evidence supporting the *pro forma* adjustments, recalculating the amounts based on the information obtained and discussing the unaudited *pro forma* financial information with the Directors.

In arriving at our conclusion, we have relied upon financial information prepared by the Directors and other information from various public, financial and industry sources.

Whilst our work performed involved an analysis of the historical audited financial information and other information provided to us, our limited assurance engagement does not constitute either an audit or review of any of the underlying financial information undertaken in accordance with the International Standards on Auditing or the International Standards on Review Engagements and, accordingly, we do not express an audit or review opinion.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe that our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention that causes us to believe that, in terms of Sections 8.17 and 8.30 of the JSE Listings Requirements:

- the unaudited *pro forma* financial information has not been properly compiled on the basis stated;
- such basis is inconsistent with the accounting policies of Rockcastle; and
- the adjustments are not appropriate for the purposes of the unaudited *pro forma* financial information as disclosed pursuant to Section 8.30 of the JSE Listings Requirements.

Yours faithfully
BDO South Africa Incorporated

Nick Lazanakis
Chartered Accountant (SA)

Registered Auditor
BDO South Africa Incorporated
22 Wellington Road
Parktown
2193"

CORPORATE GOVERNANCE STATEMENT

Rockcastle is fully committed to complying with The Report on Corporate Governance for Mauritius and will comply with the Code of Corporate Practices and Conduct in South Africa as contained in the King Report.

In so doing, the directors recognise the need to conduct the enterprise with integrity and in accordance with generally acceptable corporate practices. This includes timely, relevant and meaningful reporting to its shareholders and other stakeholders and providing a proper and objective perspective of the company and its activities.

The directors have, accordingly, established mechanisms and policies appropriate to the company's business according to its commitment with best practices in Corporate Governance in order to ensure compliance with The Report on Corporate Governance for Mauritius. The board will review these mechanisms and policies from time to time.

The formal steps taken by the directors are summarised below:

1. **BOARD OF DIRECTORS**

The board of directors consists of two executive directors and three non-executive directors two of whom are considered independent. The chairperson, is an independent non-executive director whose role is separate from that of the chief executive officer ("**CEO**"). The board will ensure that there is an appropriate balance of power and authority on the board, such that no one individual or block of individuals dominates the board's decision-taking. The non-executive directors are individuals of calibre, credibility and have the necessary skills and experience to bring independent judgement on issues of strategy, performance, resources, standards of conduct and evaluation of performance.

The board will be responsible for the strategic direction of the company. It will set the values which the company will adhere to and will formulate in this regard a Code of Ethics which will be applied throughout the company, as provided below.

The board has appointed a CEO and will establish a framework for delegation of authority. The board will ensure that the role and function of the CEO will be formalised and that the CEO's performance is evaluated against specified criteria.

The current board's diversity of professional expertise and demographics make it a highly effective board with regard to Rockcastle's current strategies. The board shall ensure that, in appointing successive board members, the board as a whole will continue to reflect, whenever possible, a diverse set of professional and personal backgrounds.

The information needs of the board will be reviewed annually and directors will have unrestricted access to all company information, records, documents and property to enable them to discharge their responsibilities efficiently. Efficient and timely methods of informing and briefing board members prior to board meetings will be developed and in this regard steps have been taken to identify and monitor key risk areas, key performance areas and non-financial aspects relevant to Rockcastle. In this context, the directors will be provided with information in respect of key performance indicators, variance reports and industry trends.

The board will establish a formal induction programme to familiarise incoming directors with the company's operations, senior management and its business environment, and to induct them in their fiduciary duties and responsibilities. Directors will receive further briefings from time to time on relevant new laws and regulations as well as on changing economic risks. Directors will ensure that they have a working understanding of applicable laws. The board will ensure that the company complies with applicable laws and considers adherence to non-binding industry rules and codes and standards. In deciding whether or not non-binding rules shall be complied with, the board will factor the appropriate and ethical considerations that must be taken into account. New directors with no or limited board experience will receive appropriate training to inform them of their duties, responsibilities, powers and potential liabilities.

The board will disclose details in their directors' report of how it has discharged its responsibilities to establish an effective compliance framework and process.

The board will appraise the chairperson's performance and ability to add value to the company on an annual or such other basis as the board may determine. The Chairperson, or a sub-committee appointed by the board, will appraise the performance of the CEO at least annually.

No executive directors hold service contracts. All directors will be subject to retirement by rotation and re-election by Rockcastle shareholders every year in accordance with the company's Constitution.

The board will develop a charter setting out its responsibilities for the adoption of strategic plans, monitoring of operational performance and management, determination of policy and processes to ensure the integrity of the company's risk management and internal controls, communication policy and director selection, orientation and evaluation.

Board meetings will be held at least quarterly, with additional meetings convened when circumstances necessitate. The board will set the strategic objectives of the company and determine investment and performance criteria as well as being responsible for the sustainability, proper management, control, compliance and ethical behaviour of the businesses under its direction. The board will establish a number of committees to give detailed attention to certain of its responsibilities and which will operate within defined, written terms of reference.

The board will determine a policy for detailing the manner in which a director's interest in transactions is to be determined and the interested director's involvement in the decision-making process. Real or perceived conflicts will be disclosed to the board and managed in accordance with the pre-determined policy used to assess a director's interest in transactions. The independence of non-executive directors will be reviewed from time-to-time. The company does not propose to conduct a rigorous and extensive review of the independence of the non-executive directors. It is the company's belief that, unless the directors have newly acquired recent interest in the company, passage of time does not lead to a lack of independence.

The board as a whole and individual directors will have their overall performance periodically reviewed in order to identify areas for improvement in the discharge of individual director's and the board's functions on an annual basis. This review will be undertaken by the Chairperson and, if so determined by the board, an independent service provider. An overview of the appraisal process, results and action plan will be disclosed in the directors' report. Nominations for the re-appointment of a director will only occur after the evaluation of the performance and attendance of the director at board meetings.

The board will determine a policy for detailing the procedures for appointments to the board. Such appointments are to be formal and transparent and a matter for the board as a whole assisted where appropriate by the Corporate Governance Committee.

The development and implementation of nomination policies will be undertaken by Corporate Governance Committee and the board as whole, respectively.

The board has delegated certain functions to the Risk and Audit Committee, the Remuneration Committee and the Investment Committee. The board is conscious of the fact that such delegation of duties is not an abdication of the board members' responsibilities. The various committees' terms of reference shall be reviewed annually and such terms of reference will be disclosed in the company's directors' report.

External advisors and executive directors who are not members of specific committees shall attend committee meetings by invitation, if deemed appropriate by the relevant committees.

The board will establish a procedure for directors, in furtherance of their duties, to take independent professional advice, if necessary, at the company's expense. All directors will have access to the advice and services of the company secretary.

2. RISK AND AUDIT COMMITTEE

The board has established a Risk and Audit Committee consisting of Rory Kirk and Mark Oliver.

All of the members of the committee are financially literate (and the board will ensure that any future appointees are financially literate). The committee's primary objective will be to provide the board with additional assurance regarding the efficacy and reliability of the financial information used by the directors, to assist them in the discharge of their duties. The committee will be required to provide satisfaction to the board that adequate and appropriate financial and operating controls are in place; that significant business, financial and other risks have been identified and are being suitably managed; and that satisfactory standards of governance, reporting and compliance are in operation. The Risk and Audit Committee will be responsible for overseeing the directors' report. In this regard the Risk and Audit Committee will have regard to all factors and risks that may impact on the integrity of the directors' report, and the board will review and comment on the financial statements and the disclosure of sustainability issues included in the directors' report. In addition, the Risk and Audit Committee will have general oversight over and report on the sustainability issues, will review the directors' report to ensure that the information contained therein is reliable and does not contradict the financial aspects of the report and will oversee the provision of assurance over sustainability issues. The Risk and Audit Committee will review the content of the company's interim results and will engage external auditors to provide assurance on the summarised financial information.

Within this context, the board is responsible for the company's systems of internal, financial and operational control. The executive directors will be charged with the responsibility of determining the adequacy, extent and operation of these systems. Comprehensive reviews and testing of the effectiveness of the internal control systems in operation will be performed by the Risk and Audit Committee. These systems are designed to provide reasonable, but not absolute, assurance as to the integrity and reliability of the financial statements, to safeguard, verify and maintain accountability of its assets and to identify and minimise significant fraud, potential liability, loss and material misstatement while complying with applicable laws and regulations. A Risk and Audit Committee charter is to be prepared and reported to the board.

The Risk and Audit Committee will meet at least three times a year. Executives and managers responsible for finance and the external auditors will be in attendance. The Risk and Audit Committee will review the finance function of the company on an annual basis.

The Risk and Audit Committee may authorise engaging for non-audit services with the appointed external auditors or any other practising firm of auditors, after consideration of the following:

- the essence of the work being performed may not be of a nature that any reasonable and informed observer would construe as being detrimental to good corporate governance or in conflict with that normally undertaken by the accountancy profession;
- the nature of the work being performed will not affect the independence of the appointed external auditors in undertaking the normal audit assignments;
- the work being done may not conflict with any requirement of generally accepted accounting practice or principles of good corporate governance;
- the operational structure, internal standards and processes being adopted by the audit firm in order to ensure that audit independence is maintained in the event that such audit firm is engaged to perform accounting or other non-audit services to its client base. Specifically:
  - the company may not appoint a firm of auditors to improve systems or processes where such firm of auditors will later be required to express a view as to the functionality or effectiveness of such systems or processes;
  - the company may not appoint a firm of auditors to provide services where such firm of auditors will later be required to express a view on the fair representation of information the result of these services to the company; and
  - the total fee being earned by an audit firm for non-audit services in any financial year of the company, expressed as a percentage of the total fee for audit services, may not exceed 35% without the approval of the board;
- a firm of auditors will not be engaged to perform any management functions (e.g. acting as curator) without the express prior approval of the board. A firm of auditors may be engaged to perform operational functions, including that of bookkeeping, when such firm of auditors are not the appointed external auditors of the company and work is being performed under management supervision.

Information relating to the use of non-audit services from the appointed external auditors of the company shall be disclosed in the notes to the annual financial statements. Separate disclosure of the amounts paid to the appointed external auditors for non-audit services as opposed to audit services, shall be made in the annual financial statements.

The Audit Committee must consider on an annual basis and satisfy itself of the appropriateness of the expertise and experience of the financial director and the company must confirm this by reporting to shareholders in its annual report that the Audit Committee has executed this responsibility.

With regards to the appointment of directors, the Risk and Audit Committee will undertake background and reference checks before the appointment of directors. The board shall make full disclosures regarding individual directors to enable shareholders to make their own assessment of the directors.

The Risk and Audit Committee will report at the company's annual general meeting how it has discharged its duties during the financial year to be reported on.

3. RISK MANAGEMENT AND INTERNAL CONTROLS

Risk and internal controls management will be under the responsibility of the Risk and Audit Committee, compromising of Mark Oliver and Rory Kirk.

The Risk and Audit Committee will participate in management's process of formulating and implementing the risk management plan and will report on the plan adopted by management to the board.

The objective of risk management is to identify, assess, manage and monitor the risks to which the business is exposed, including, but not limited to, information technology risk. The board will be responsible for ensuring the adoption of appropriate risk management policies by management. The board will also ensure that there are processes in place between itself and management enabling complete, timely, relevant, accurate and accessible risk disclosure to shareholders.

To enable the Risk and Audit Committee to meet its responsibilities, the Risk and Audit Committee will set standards and management will implement systems of internal control and an effective risk-based internal audit, comprising policies, procedures, systems and information to assist in:

- safeguarding assets and reducing the risk of loss, error, fraud and other irregularities;
- ensuring the accuracy and completeness of accounting records and reporting;
- preparing timely, reliable financial statements and information in compliance with relevant legislation and generally accepted accounting policies and practices; and
- increasing the probability of anticipating unpredictable risk.

The board will, in its directors' report, comment on the effectiveness of the system and process of risk management.

The board will ensure that management considers and implements the appropriate risk responses and IT strategy.

4. REMUNERATION COMMITTEE

No member of the Remuneration Committee can be involved or vote on committee decisions in regard to his/her own remuneration.

The Remuneration Committee comprises of Rory Kirk, Yan Ng and Mark Oliver.

The role of the Remuneration Committee will be to work on behalf of the board and be responsible for recommendations with regard to:

(a) determining, developing and agreeing the company's general policy or executive and senior management remuneration;

(b) determining specific remuneration packages for executive directors of the company, including but not limited to basic salary, benefits in kind, annual bonuses, performance incentives, share incentives, pensions and other benefits;

(c) determining any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities; and

(d) determining the level of non-executive and independent non-executive fees to be recommended to the shareholders at the meeting of shareholders.

5. INVESTMENT COMMITTEE

The board has appointed an Investment Committee comprising of Mark Oliver, Stephen Delport and Rory Kirk.

The committee will comprise a majority of independent non-executive directors as recommended in the Report on Corporate Governance for Mauritius.

The Investment Committee will meet when necessary to consider the investment policy of the company. The board of directors will determine the committee's authority level.

6. DIRECTORS' DEALINGS

The company will operate a policy of prohibited dealings by directors and the company secretary during the period of one month immediately preceding the announcement of the issuer's annual results and the publication of the interim (quarterly) report together with dividends and distributions to be paid or passed and at any other time deemed necessary by the board.

The directors will follow the principles of the model code on securities transactions by directors as detailed in Appendix 6 of the Listing Rules.

7. THE COMPANY SECRETARY

The company secretary, who is not a director of the company, will provide the board as a whole and directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interest of the company. The company secretary will provide a central source of guidance and advice to the board, and within the company, on matters of ethics and good corporate governance and will assist with the appointment of directors to the board. The company secretary will be subject to an annual evaluation by the board.

8. COMMUNICATION WITH SHAREHOLDERS

It will be the policy of Rockcastle to meet regularly with institutional shareholders, private investors and investment analysts for discussion on the performance and management of the company and it shall promote a stakeholder inclusive approach.

The board appreciates that shareholders' perceptions affect the company's reputation and in this regard will establish policy for the engagement of the company's stakeholders. The board will encourage shareholders to attend annual general meetings through effective communication whether by means of the press or otherwise.

9. DIRECTORS' REPORT

The company's annual report and accounts include detailed reviews of the company, together with a detailed review of the financial results and financing positions. In this way the board seeks to present a balanced and understandable assessment of the company's position and prospects.

The company will establish comprehensive management reporting disciplines which include the preparation of monthly management accounts, detailed budgets and forecasts. Monthly results, the financial position and cash flows of operating units will be reported against approved budgets and compared to the prior period. Any profit and cash flow forecasts and working capital levels published by the company (including those appearing in these Listing Particulars) will be reviewed regularly.

Sustainability reporting and disclosure shall be integrated with the company's financial reporting. The financials will state the company's positive and negative impact and detail whatever steps have been taken to improve on the negative impact.

The board will ensure the integrity of the directors' report.

10. SOCIAL AND ETHICS COMMITTEE

Rockcastle is committed to promoting the highest standards of ethical behaviour amongst all persons involved in the company's operation. To this extent, a Code of Ethics for the company is to be adopted and a Social and Ethics Committee will be established once Rockcastle has become a listed issuer.

The board will ensure that the company's performance and interaction with its stakeholders are guided by the Constitution.

The board will consider the impact of its business on the environment, society and the economy.

The board and the executive management will be assessed annually on the basis provided above, and including its adherence to corporate citizenship principles and ethics performance.

11. BUSINESS RESCUE

At the first sign of the company becoming financially distressed in terms of the Companies Act 2001 and Insolvency Act 2009, the board will meet to consider available business rescue procedures or other turn-around mechanisms. In this regard, the board will monitor, on a continuous basis, the solvency and liquidity of the company and, in the event that business rescue is adopted, a suitable practitioner (who may be an insolvency practitioner in terms of the Insolvency Act 2009) will be appointed. The practitioner will be required to provide security for the value of the assets of the company.

EXTRACTS FROM THE CONSTITUTION OF THE COMPANY

4. CAPITAL

"4.1 Subject to the provisions of paragraph 10.3.1, the Members in general meeting may authorise the board to issue shares and/or grant options at any time to any person and in any number as it thinks fit pursuant to Section 52 of the Companies Act 2001."

"4.3 The company may from time to time increase or reduce its capital and to issue any shares in the original or increased or reduced capital with such preferred or deferred, qualified or other special rights or restrictions whether in regard to voting, dividend, return of capital or otherwise as the company may determine subject always to the Companies Act 2001.

4.4 The shares shall unless otherwise stated be fully paid-up when issued and rank *pari passu* in all respects as amongst themselves including as to participation in the profits of the company.

4.5 The capital of the company shall consist of ordinary no par value shares and having attached to them the following rights:

(i) The right to one vote on a poll at a meeting of the company on any resolution;

(ii) The right to an equal share in dividends authorised by the board; and

(iii) The right to an equal share in the distribution of the surplus assets of the company."

5. ALTERATION OF CONSTITUTION

"The company may in accordance with the Companies Act 2001 alter its Constitution or any provision therein by special resolution of the Members of the company (the "**Members**"), provided that prior written approval has been obtained from the Stock Exchange of Mauritius Ltd for such alteration."

10. TRANSFER OF SHARES

"10.1 Subject to such restrictions set out in this Constitution as may be applicable, shares of the company shall be freely transferable and each Member may transfer, without payment of any fee or other charges, all or any of his shares by instrument of transfer in writing."

"10.3 Every change in the ownership of shares in the capital of the company shall be subject to the following limitations and restrictions:

10.3.1 *Pre-emptive provisions*

After the first allotment of shares by the directors, any further shares proposed to be issued wholly for cash consideration (which shall include a cheque received in good faith or a release of a liability of the company for a liquidated sum or an undertaking to pay cash to the company at a future date) shall, subject to the remaining provisions of this paragraph 10.3, first be offered to the Members in proportion as nearly as may be to the number of the existing shares held by them, respectively, unless the board by resolution otherwise directs.

The directors may refuse to register any transfer of shares where the directors have notice of any agreement by the Members to transfer only to some specified person or subject to some specified condition.

10.3.2 *Transmission of shares*

10.3.2.1 If title to a share passes to a Transmittee, the company may only recognise the Transmittee as having any title to that share.

10.3.2.2 A Transmittee who produces such evidence of entitlement to shares as the directors may properly require:

10.3.2.2.1 may, subject to the provisions of this Constitution, choose either to become the holder of those shares or to have them transferred to another person; and

10.3.2.2.2 subject to the provisions of this Constitution, and pending any transfer of the shares to another person, has the same rights as the holder had.

10.3.3 Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares."

12. DIRECTORS

"12.1 **Number**

Subject to any subsequent amendment to change the number of directors, the number of the directors shall not be less than four. If the number falls below four the remaining directors shall as soon as possible and in any event not later than three months from the date the number of directors falls below the minimum, fill the vacancy or call a general meeting to fill the vacancy. After the expiry of the three-month period the remaining directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of Members.

Any director appointed under this paragraph 12.1 shall hold office only until the next following annual meeting and shall then retire but shall be eligible for appointment at that meeting.

12.2 **Qualification**

No director shall be required to hold shares in the company to qualify him for an appointment."

"12.4 **Retirement of directors**

12.4.1 Life directorships are not permissible.

12.4.2 At each Annual Meeting of Shareholders, all the directors shall retire from office and may make themselves available for re-election.

12.4.3 The company at the meeting at which a director retires under any provision of this Constitution may by ordinary resolution fill the office being vacated by electing thereto the retiring director or some other person eligible for appointment. In default the retiring director shall be deemed to have been re-elected, except in any of the following cases:

12.4.3.1 where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such director is put to the meeting and lost; or

12.4.3.2 where such director has given notice in writing to the company that he is unwilling to be re-elected; or

12.4.3.3 where such director has attained any retiring age applicable to him as director.

12.5 **Remuneration of directors**

12.5.1 The remuneration of directors shall be determined by the Remuneration Committee.

12.5.2 The board may determine the terms of any service contract with a managing director or other executive director.

12.5.3 The directors may be paid all travelling, hotel and other expenses properly incurred by them in attending any meetings of the board or in connection with the business of the company.

12.5.4 If by arrangement with the board any director shall perform or render any special duties or services outside his ordinary duties as a director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether, by way of salary, commission, participation in profits or otherwise) as the Remuneration Committee may from time to time determine.

12.5.5 A director shall not vote on any contract or arrangement or any other proposal in which he or his associates have a material interest nor shall he be counted in the quorum present at the meeting.

12.5.6 Notwithstanding clause 12.5.5 above, a director shall be entitled to vote and be counted in the quorum at the meeting in respect of the following matters:

i. the giving of any security or indemnity either:

(a) to the director in respect of money lent or obligations incurred or undertaken by him at the request of or for the benefit of the issuer or any of its subsidiaries; or

(b) to a third party in respect of a debt or obligation of the issuer or any of its subsidiaries for which the director has himself assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

ii. any proposal concerning an offer of shares or debentures or other securities of or by the issuer or any other company which the issuer may promote or be interested in for subscription or purchase where the director is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;

iii. any proposal concerning any other company in which the director is interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the director is beneficially interested in shares of that company, provided that he, together with any of his associates, is not beneficially interested in five percent or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights;

iv. any proposal or arrangement concerning the benefit of employees of the issuer or its subsidiaries including:

(a) the adoption, modification or operation of any employee's share scheme or any share incentive or share option scheme under which he may benefit; or

(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors and employees of the issuer or any of its subsidiaries and does not provide in respect of any director as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

v. any contract or arrangement in which the director is interested in the same manner as other holders of shares or debentures or other securities of the issuer by virtue only of his interest in shares or debentures or other securities of the issuer.

12.5.7 For the purposes of Clause 12.5.6, associate shall have, in relation to any director, the following meanings:

i. his spouse and any child or stepchild under the age of 18 years of the director ("the individual's family") and;

ii. the trustees (acting as such) of any trust of which the individual or any of the individual's family is a beneficiary or discretionary object; and

iii. any company in the equity capital of which the individual and/or any member or members of the individual's family (taken together) are, directly or indirectly, interested so as to exercise or control the exercise of 20 percent or more of the voting power at meetings of shareholders, or to control the appointment and/or removal of directors holding a majority of voting rights at board meetings on all or substantially all matters, and any other company which is its subsidiary.

12.5.8 For the purposes of Clause 12.5.6(iii), associate shall have, in relation to a director, the following meaning:

i. a spouse, a director living "en concubinage" under the common law, any child or stepchild or any relative residing under the same roof as that director;

ii. a succession in which the director has an interest;

iii. a partner of that director;

iv. any company in which the director owns securities assuring him of more than 10 percent of a class of shares to which are attached voting rights or an unlimited right to participate in earnings and in the assets upon winding up;

v. any controller of that director;

vi. any trust in which the director has a substantial ownership interest or in which he fulfills the functions of a trustee or similar function; and

vii. any company which is a related company.

12.6 **Proceedings of directors**

12.6.1 *Chairperson*

12.6.1.1 The directors may elect one of their number as chairperson of the board and determine the period for which he is to hold office.

12.6.1.2 Where no chairperson is elected, or where at a meeting of the board the chairperson is not present within 15 minutes after the time appointed for the commencement of the meeting, the directors present may choose one of their number to be chairperson of the meeting.

12.6.2 *Notice of meeting*

12.6.2.1 A director or, if requested by a director to do so, an employee of the company, may convene a meeting of the board by giving notice in accordance with this paragraph.

12.6.2.2 A notice of a meeting of the board shall be sent to every director and the notice shall include the date, time, and place of the meeting and the matters to be discussed.

12.6.2.3 Any meeting at which the business of the meeting is to appoint a director whether as an additional director or to fill a casual vacancy shall be called by at least thirty business days' notice.

12.6.2.4 An irregularity in the notice of a meeting is waived where all directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or where all directors entitled to receive notice of the meeting agree to the waiver.

12.6.3 *Methods of holding meetings*

12.6.3.1 The board or any committee thereof may meet at such times and in such manner and places within the Republic of Mauritius as the board may determine to be necessary or desirable.

12.6.3.2 A director shall be deemed to be present at a meeting of the board if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

12.6.4 *Alternate directors*

A director may by a written instrument appoint an alternate who need not be a director and an alternate is entitled to attend meetings in the absence of the director who appointed him and to vote or consent in the place of the director.

12.6.5 *Voting*

12.6.5.1 Every director has one vote.

12.6.5.2 The chairperson shall not have a casting vote.

12.6.5.3 A resolution of the board is passed if it is agreed to by all directors present without dissent or if a majority of the votes cast are in favour of it.

12.6.5.4 A director present at a meeting of the board is presumed to have agreed to, and to have voted in favour of, a resolution of the board unless he expressly dissents from or votes against the resolution at the meeting.

12.6.6 *Minutes*

The board shall ensure that minutes are kept of all proceedings at meetings of the board.

12.6.7 *Resolution in writing*

12.6.7.1 A resolution in writing, signed or assented to by all directors then entitled to receive notice of a board meeting, is as valid and effective as if it had been passed at a meeting of the board duly convened and held.

12.6.7.2 Any such resolution may consist of several documents (including facsimile or other similar means of communication) in like form each signed or assented to by one or more directors.

12.6.7.3 A copy of any such resolution must be entered in the minute book of board proceedings.

12.6.8 *Directors may delegate*

12.6.8.1 Subject to this Constitution, the directors may delegate powers which are conferred on them:

12.6.8.1.1 to such person or committee;

12.6.8.1.2 by such means (including by power of attorney);

12.6.8.1.3 to such an extent;

12.6.8.1.4 in relation to such matters or territories; and

12.6.8.1.5 on such terms and conditions,

as they think fit.

12.6.8.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

12.6.8.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

12.6.9 *Committees*

12.6.9.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Constitution which govern the taking of decisions by directors.

12.6.9.2 The directors may not make rules including rules of procedure for all or any committees, which are inconsistent with this Constitution."

13. POWERS AND DUTIES OF DIRECTORS

"13.1 **Borrowing powers**

The directors may exercise all powers of the company to borrow or raise or secure the payment of money or the performances or satisfaction by the company of any obligation or liability and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue mortgages, charges, bonds, notes and other securities and other instrument whether outright or as security, for any debt liability or obligation of the company or of any third party. In addition, such power shall be exercised, in compliance with Section 143 of the Companies Act 2001.

13.2 **Overseas seal and branch registers**

13.2.1 The company may exercise the powers conferred by the Companies Act 2001 with regard to having an official seal for use abroad, and those powers shall be vested in the directors.

13.2.2 The company may exercise the powers conferred by the Companies Act 2001 relating to the keeping of branch registers and the directors may (subject to the provisions of that section) make and vary such regulations as they think fit regarding the keeping of any such branch register.

13.3 **Management of company**

The business of the company shall be managed by the directors in Mauritius who may pay all expenses incurred in promoting or registering the company and who may exercise all such powers of the company as are not, by the Companies Act 2001 or by this Constitution, required to be exercised by the company in general meeting, subject, nevertheless, to the provisions of this Constitution and to the provisions of the Companies Act 2001.

13.4 **Indemnity**

Subject to the provisions of the Companies Act 2001, and any other statute for the time being in force, every director or other officer of the company shall be entitled to be indemnified out of the assets of the company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to, or be incurred by the company in the execution of his office, or in relation thereto.

13.5 **Directors' expenses**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

13.5.1 meetings of directors or committees of directors;

13.5.2 general meetings of members, or

13.5.2 separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company."

16. DIVIDENDS AND RESERVES

"16.1 **Declaration of dividends**

16.1.1 The company in general meeting of Members may declare dividends but may not declare a larger dividend than that declared by the directors and no dividend shall be declared and paid, except out of profits and unless the directors determine that immediately after the payment of the dividend:

16.1.1.1 the company will be able to satisfy the solvency test in accordance with Section 6 of the Companies Act 2001; and

16.1.1.2 the realisable value of the assets of the company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account, and its capital.

16.1.2 Dividends may be declared and paid in money, shares or other property.

16.2 **Computation of profit**

In computing the profits for the purpose of resolving to declare and pay a dividend, the directors may include in their computation the net unrealised appreciation of the assets of the company.

16.3 **Interim dividends**

The directors may from time to time pay to the Members such interim dividends as appear to the directors to be justified by the surplus of the company.

16.4 **Entitlement to dividends**

16.4.1 Subject to the rights of holders of shares entitled to special rights as to dividends, all dividends shall be declared and paid according to the par value of the shares in issue at the date of declaration of the dividend.

16.4.2 If several persons are registered as joint holders of any share, any of them may give effectual receipt for any dividend or other monies payable on or in respect of the share."

SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

Rockcastle has obtained in principle SARB Exchange Control approval for the SA private placement of its shares in terms of the pre-listing statement. In line with the Exchange Control approval obtained from the SARB, shares in the company will only be allotted and issued to the applicants on listing date of the SA private placement shares and will only be issued on market as listed shares. The subscription for shares and the trade in shares subsequent to listing may only be done in terms of the Exchange Control Regulations.

Set out below is a summary of the Exchange Control Regulations relating to the subscription for shares in terms of the SA private placement and the trade in Rockcastle shares in South Africa only.

This summary of the Exchange Control Regulations is intended as a guide only and is therefore not comprehensive. If you are in any doubt you should consult an appropriate professional advisor immediately.

1. **South African private individuals**

   The subscription for shares in terms of the SA private placement or the acquisition of shares on the market by a South African private individual will not affect such person's foreign investment allowance under Exchange Control Regulations. A South African private individual need not take any additional administrative actions and can instruct its broker to accept, buy and sell shares on its behalf in Rockcastle as it would with any other listed security on the JSE. Such shares are on the South African register and are Rand-denominated.

2. **South African institutional investors**

   As announced by the Minister of Finance in the 2011 Medium-Term Budget Policy Statement, all inward listed shares on the JSE traded and settled in Rand are now classified as domestic for the purposes of Exchange Control. Accordingly, South African retirement funds, long-term insurers, collective investment scheme management companies and investment managers who have registered with the SARB Exchange Control Department as institutional investors for Exchange Control purposes and Authorised Dealers approved as such by SARB may now invest in such shares without affecting their permissible foreign portfolio investment allowances or foreign exposure limits.

   South African institutional investors may therefore subscribe for shares in terms of the SA private placement or acquire shares on the market without affecting their foreign portfolio investment allowances or foreign exposure limits.

3. **Member brokers of the JSE**

   Section H(E) of the Exchange Control Regulations provides for a special dispensation to local brokers to facilitate the trading in inward listed shares. South African brokers are now allowed, as a book-building exercise, to purchase Rockcastle shares offshore and to transfer the shares to Rockcastle' South African share register. This special dispensation is confined to inward listed shares and brokers may warehouse such shares for a maximum period of thirty days only.

4. **South African corporate entities, banks, trusts and partnerships**

   South African corporate entities, banks, trusts and partnerships may subscribe for shares in terms of the SA private placement or acquire shares on the market without restriction.

5. **Non-residents of the common monetary area**

   Non-residents of the common monetary area may subscribe for shares in terms of the SA private placement or acquire shares on the market, provided that payment is received in foreign currency or Rand from a non-resident account.

   Non-residents may sell Rockcastle shares on the market and repatriate the proceeds without restriction.

   Former residents of the common monetary area who have emigrated may use emigrant blocked funds to subscribe for shares in terms of the SA private placement or the acquire shares on the market.

6. **Movement of Rockcastle shares between registers**

   Shares in Rockcastle are fully fungible and may be transferred between registers. South African investors may only acquire shares, via the JSE, that are already on the South African branch register maintained by Rockcastle's transfer secretaries. Member brokers of the JSE may acquire shares on foreign exchanges and transfer shares to the South African register as described in paragraph 3 above. Non-residents are not subject to Exchange Control Regulations and may freely transfer shares between branch registers.

ACCOUNTING POLICIES

Rockcastle is a category one Global Business License company domiciled in Mauritius. The following accounting policies will be applied in the preparation of the financial statements of the company.

1. BASIS OF PREPARATION

The statutory financial statements of the company are prepared in accordance with International Financial Reporting Standards ("IFRSs") and interpretations of these standards adopted by the International Accounting Standards Board ("IASB") and with those parts of the Mauritius Companies Act 2001 applicable to companies preparing their accounts under IFRS.

2. BASIS OF MEASUREMENT

The financial statements are prepared on the historical-cost basis, except for investment property, derivative financial instruments and financial instruments, designated as financial instruments at fair value through profit or loss, which are measured at fair value.

3. BASIS OF CONSOLIDATION

Subsidiaries

Where the company has the ability, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities generally accompanying a beneficial shareholding of more than one half of the voting rights, it is classified as a subsidiary. The consolidated financial statements present the results of the group as if they formed a single entity. The results of subsidiaries are included from the date control was acquired up to the date control ceased. Inter-company transactions, balances and unrealised gains or losses between group companies are therefore eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the group.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination (see below) and the non-controlling interest's share of changes in equity since the date of the combination.

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities or obligations incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired business and excludes transaction costs. The acquired business' identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair values at the acquisition date. Non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the group's interest in the net fair value of the acquired business' identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

Associates

Associates are those entities in which the group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for using the equity method and are initially recognised at cost. The group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses.

The consolidated financial statements include the group's share of the income and expenses and equity movements of equity-accounted investees, after adjustments to align the accounting policies with those of the group, from the date that significant influence commences until the date that significant influence ceases. When the group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the group has an obligation or has made payments on behalf of the investee.

4. GOODWILL

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units expected to benefit from the synergies of the combination. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the use of the asset will be increased. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset and all other borrowing costs are expensed.

The method of depreciation, residual values and useful lives are reassessed annually.

Depreciation is provided on the straight-line basis so as to write the assets down to their estimated residual values, over the estimated useful lives of the assets.

The current estimated useful lives are as follows:

Office furniture, fixtures and equipment:	3 – 10 years

Where significant components of an asset have different useful lives to the asset itself, these components are depreciated over their estimated useful lives.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount of the property, plant and equipment and are recognised in the statement of comprehensive income.

6. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are those which are designated as such or do not qualify to be classified as designated at fair value through profit or loss, held-to-maturity, or loans and receivables. They include strategically held equity instruments that are not associates, joint ventures or subsidiaries of the group. Further, certain loans and receivables that are held at fair value due to being quoted on an active market, which are neither actively traded nor held-to-maturity instruments, are classified as available-for-sale financial assets.

Financial assets classified as available-for-sale are measured at fair value on the statement of financial position, with unrealised gains and losses recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously recognised in other comprehensive income is recognised in profit or loss. Interest earned whilst holding available-for-sale financial assets is reported as interest income using the effective interest rate. Dividends earned whilst holding available-for-sale financial assets are recognised in profit or loss when the right of payment has been established.

If an available-for-sale instrument is determined to be impaired, the respective cumulative unrealised losses previously recognised in other comprehensive income are included in profit or loss in the period in which the impairment is identified.

Impairments on available-for-sale equity instruments are not reversed once recognised in the statement of comprehensive income.

If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the statement of comprehensive income, the impairment loss is reversed, limited to the impairment value previously recognised in the statement of comprehensive income.

7. HELD-TO-MATURITY FINANCIAL ASSETS

Held-to-maturity financial assets are non-derivative financial instruments with fixed or determinable payments and maturity dates which the group has the intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity assets are measured at amortised cost using the effective interest method, less impairment losses.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortisation is included in interest income in the statement of comprehensive income. The losses arising from impairment of such investments are recognised in the statement of comprehensive income.

8. LEASES

8.1 Operating leases

Leases where the lessor retains the risk and rewards of ownership of the underlying assets are classified as operating leases. Payments made under operating leases are charged against income on the straight-line basis over the period of the lease.

8.2 Finance leases

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset are classified as finance leases. Assets acquired in terms of finance leases are capitalised at the lower of fair value and the present value of the minimum lease payments at inception of the lease, and depreciated over the shorter of the lease term and the asset's useful life. If reasonable certainty exists that the group will obtain ownership of the asset at the end of the lease term then the asset is depreciated over its useful life. The capital element of future obligations under the leases is included as a liability in the statement of financial position. Lease payments are allocated using the effective interest rate method to determine the lease finance cost, which is charged against income over the lease period, and the capital repayment, which reduces the liability to the lessor.

9. IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the higher of its fair value less costs to sell and its value in use.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount and is recognised in profit or loss.

For an asset that does not generate cash flows that are largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised in profit or loss whenever the carrying amount of the cash-generating unit exceeds its recoverable amount.

With the exception of goodwill, a previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount and there is an indication that the impairment loss no longer exists. An impairment loss is reversed only to the extent that the carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years. For goodwill a recognised impairment loss is not reversed.

10. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the group's statement of financial position when the group has become party to the contractual provisions of the instrument. Financial instruments acquired for trading purposes and derivative instruments are stated at fair value. Resulting gains or losses are recognised directly in profit or loss.

Financial instruments presented in the financial statements include cash and cash equivalents, investments, loans, trade and other receivables, trade and other payables and borrowings. Financial instruments are initially recognised at fair value including transaction costs, when the group becomes party to the contractual provisions of the instrument. Subsequent to initial recognition, these instruments are measured as follows:

10.1 Financial assets

The classification of financial assets depends on their nature and purpose and is determined at the time of initial recognition.

Investments at fair value through profit or loss – Investments at fair value through profit or loss are financial assets held-for-trading and those designated at fair value through profit or loss at inception. These assets are carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of these investments are recognised in profit or loss in the period in which they arise. Attributable transaction costs are recognised in the statement of comprehensive income as incurred.

Investments classified as loans and receivables – Investments classified as loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- those that the entity intends to sell immediately or in the near term, which shall be classified as held for trading, and those that the entity upon initial recognition designates as at fair value through profit or loss; or
- those that the entity upon initial recognition designates as available for sale; or
- those for which the holder may not recover substantially all of its initial investment,
- other than because of credit deterioration, which shall be classified as available for sale.

These assets are subsequently carried at amortised cost, using the effective interest rate method, net of impairment losses.

Investments classified as loans and receivables are carried at amortised cost using the effective interest rate method. If there is objective evidence that an impairment loss on investments classified as loans and receivables has been incurred, the amount of the loss is measured and the carrying amount of the asset shall be reduced. The amount of the loss shall be recognised in the income statement in the period in which it arises. This is consistent with the accounting policy that the group adopted for the measurement of investments held to maturity.

Trade receivables – Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Cash and cash equivalents – Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and that form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purposes of the statements of cash flows.

Impairment of financial assets – Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been negatively impacted.

For trade receivables, receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account.

An impairment loss in respect of an available for sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised and the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss initially been recognised.

Derecognition of financial assets – A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where the contractual rights to receive cash flows from the asset have expired, the company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement, or the company has transferred its rights to receive cash flows from the asset and either:

(a) has transferred substantially all the risks and rewards from the asset, or

(b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the company has transferred its rights to receive cash flow from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

10.2 Financial liabilities and equity instruments issued by the group

Classification as debt or equity – Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments – An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs.

Trade and other payables – Trade and other payables are stated at amortised cost using the effective interest rate method.

Other financial liabilities – All other financial liabilities, with the exception of derivatives, are accounted for at amortised cost using the effective interest rate method.

B – Financial liabilities (or a portion thereof) are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Where an existing liability from a lender is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs, and the amount paid for it is recognised directly in profit or loss.

Effective interest method – The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash flows (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Offset – Where a legally enforceable right of set off exists for recognised financial assets and financial liabilities, and there is an intention to settle the liability and realise the assets simultaneously, all related financial effects are offset.

11. DERIVATIVE FINANCIAL INSTRUMENTS

Certain group entities enter into a variety of derivative financial instruments to manage their exposure to interest rate and foreign exchange rate risk, namely foreign exchange contracts and interest rate swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to the fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship. The group designates certain derivatives as either hedges of the fair value of recognised assets and liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations.

The fair value of hedging derivatives is classified as a non-current asset or a non-current liability if the remaining maturity of the hedge relationship is more than twelve months and as a current asset or current liability if the remaining maturity of the hedge relationship is less than twelve months.

Derivatives not designated into an effective hedge relationship or that do not qualify in terms of hedge accounting rules, are classified as a current asset or current liability.

The fair value of interest rate and currency derivatives is the estimated amount that the group would receive or pay to terminate the derivative at the reporting date, taking into account current interest and exchange rates and the current creditworthiness of the swap counter parties.

12. PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when a present legal or constructive obligation exists as a result of past events, for which it is probable that an outflow of economic benefits will occur and where a reliable estimate of the amount of the obligation can be made. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the obligation.

The group discloses a contingent liability when it has a possible obligation arising from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group.

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantees are initially recognised at fair value, adjusted for the transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition the liability under each guarantee is measured at the higher of the amount recognised less cumulative amortisation and the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee.

13. STATED CAPITAL

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds.

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity.

14. EMPLOYEE BENEFITS

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The provisions for employee entitlements to wages, salaries, annual and sick leave represent the amount that the group has a present obligation to pay as a result of employees' services provided to the reporting date. The provisions have been calculated at undiscounted amounts based on current wage and salary costs to the group.

15. REVENUE AND INVESTMENT INCOME

Revenue is recognised when it can be reliably measured and it is probable that the economic benefits will flow to the entity. Revenue is recognised at the fair value of the consideration received or receivable.

Dividends are recognised when the right to receive payment has been established and it is determined that such income will accrue to the group.

16. FINANCE INCOME AND FINANCE COSTS

Finance income comprises interest receivable and is recognised as it accrues, taking into account the effective yield on the asset.

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method.

17. TAX

Current tax comprises tax payable calculated on the basis of the expected taxable income for the period, using the tax rates and laws enacted or substantively enacted at the reporting date, and any adjustment of tax payable in respect of previous years.

Deferred tax is recognised for all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, except to the extent that the deferred tax liability arises from:

(a) the initial recognition of goodwill; or

(b) the initial recognition of an asset or liability in a transaction which:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries except to the extent that both of the following conditions are satisfied:

(a) the parent is able to control the timing of the reversal of the temporary difference; and

(b) it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax is charged to profit or loss except to the extent that it relates to a transaction that is recognised directly in equity, or a business combination that is an acquisition. The effect on deferred tax of any changes in tax rates is recognised in the statement of comprehensive income, except to the extent that it relates to items previously charged or credited directly to equity.

18. TRANSLATION OF FOREIGN CURRENCIES

The functional currency of Rockcastle is United States Dollars, and the company has elected to present its financial statements in United States dollars, being the denomination of the issued stated capital of the company. The group financial statements are also presented in United States Dollars.

Transactions denominated in currencies other than United States Dollars are translated at the rates of exchange ruling on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies (other than monetary items that form part of the net investment in a foreign operation) are translated at the rates of exchange ruling at the reporting date, with gains and losses recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the rates of exchange ruling at the date of the transaction.

19. FOREIGN OPERATIONS

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into United States Dollars at rates of exchange ruling at the reporting date.

Income, expenditure and cash flow items are translated into United States dollars at rates approximating the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on translation are recognised directly in equity as a foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign currency translation reserve is transferred to the statement of comprehensive income.

Acquisition and disposals of foreign operations are accounted for at the rate ruling on the date of the transaction.

20. OPERATING SEGMENTS

A segment is a distinguishable component of the group that is engaged in providing services (business segment) or in providing services within a particular economic environment (geographic segment), which is subject to risks and returns that are different from those of other segments. The group's primary segment is based on business segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker has been identified as the board. The board reviews the group's internal reporting in order to assess performance. Management has determined the operating segments based on these reports.

Segment results include revenue and expenses directly attributable to a segment and the relevant portion of group revenue and expenses that can be allocated on a reasonable basis to a segment. Segmental assets comprise those assets that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

21. SIGNIFICANT JUDGEMENTS AND AREAS OF ESTIMATION

The preparation of the financial statements in conformity with IFRS requires the use of estimates, assumptions and judgements that affect the amounts reported in the statement of financial position and statement of comprehensive income of the group. Estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Although the estimates are based on management's best knowledge and judgements of current facts as at the reporting date, the actual outcome may differ from those estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and any future periods.

22. RELATED PARTIES

Related parties in the case of the group include any shareholder who is able to exert a significant influence on the operating policies of the group. Directors, their close family members and any employee who is able to exert significant influence on the operating policies of the group are also considered to be related parties.

23. EARNINGS PER SHARE

The group presents basic and diluted earnings per share. It also presents headline and diluted headline earnings per share. Basic earnings per share is calculated by dividing profit for the year attributable to equity holders by the weighted average number of shares in issue during the year. Headline earnings per share is calculated by dividing headline earnings by the weighted average number of shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders by the weighted average number of shares in issue, adjusted for the potential dilutive impact of outstanding shareholder options. Diluted headline earnings per share is calculated by dividing headline earnings by the weighted average number of shares in issue, adjusted for the potential dilutive impact of outstanding shareholder options.

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Rockcastle Global Real Estate Company Limited
(Incorporated in the Republic of Mauritius)
(Registration number 108869C1/GBL)
SEM code "Rock.N0000"
JSE code: "ROC" ISIN: "MU0364N00003"
("**Rockcastle**" or "**the company**")

THE SA PRIVATE PLACEMENT APPLICATION FORM

TO BE COMPLETED BY INVITED INVESTORS

An offer to subscribe for shares in Rockcastle ("**private placement shares**") at an issue price payable in Rand which is equivalent to US$1.00 per placement share determined at the prevailing US$:ZAR exchange rate at 12:00 on 20 July 2012 per the Bloomberg spot rate ("**private placement price**") ("**the private placement**"), to invited investors in terms of the pre-listing statement (the "**pre-listing statement**").

Successful applicants will be advised of their allotment of private placement shares by a date not later than Tuesday, 24 July 2012.

Please refer to the instructions overleaf before completing this application form.

Dematerialised shares

The allocated private placement shares will be transferred to successful invited investors in dematerialised form only. Accordingly, all successful invited investors must appoint a Central Securities Depository Participant ("**CSDP**") directly, or a broker, to receive and hold the dematerialised shares on their behalf. Should a shareholder require a physical share certificate for its Rockcastle shares, it will have to re-materialise its Rockcastle shares at its own cost following the listing and should contact its CSDP or broker to do so.

As allocated private placement shares will be transferred to successful invited investors on a delivery-versus-payment basis, payment will be made by your CSDP or broker on your behalf.

Invited investors must complete this application form in respect of the SA private placement and hand deliver, fax, post or email it to:

If delivered by hand or by courier:

Attention: Travis Green
Java Capital (Proprietary) Limited
Redefine Place
2 Arnold Road
Rosebank, 2196

If posted:

Attention: Travis Green
Java Capital (Proprietary) Limited
PO Box 2087
Parklands, 2121

If faxed:

Attention: Travis Green
+27 86 686 9489

If emailed:

Rockcastle@javacapital.co.za

This application form must be stamped and signed by a CSDP or the broker.

This application form must be received by no later than 12:00 on Friday, 20 July 2012.

Invited investors must contact their CSDP or broker and advise them that they have submitted the application form as instructed above. Pursuant to the application, invited investors must make arrangements with their CSDP or broker for payment to be made as stipulated in the agreement governing their relationship with their CSDP or broker, in respect of the shares allocated to them in terms of the SA private placement by the settlement date, expected to be Thursday, 26 July 2012.

Reservation of rights

The directors of Rockcastle reserve the right to refuse any application(s), either in whole or in part, or to *pro rate* any or all application(s) (whether or not received timeously) in any manner as they may, in their sole and absolute discretion, determine.

The directors of Rockcastle reserve the right to accept or reject, either in whole or in part, any SA private placement application form should the terms contained in the pre-listing statement, of which this SA private placement application form forms part, and the instructions herein not be properly complied with.

Applications must be for a minimum subscription of R1 000 000 per investor acting as principal.

To the directors:

Rockcastle Global Real Estate Company Limited

1. I/We, the undersigned, confirm that I/we have full legal capacity to contract and, having read the pre-listing statement, hereby irrevocably apply for and request you to accept my/our application for the undermentioned value to subscribe for private placement shares under the SA private placement set out in the pre-listing statement to which this application form is attached and in terms of the terms and conditions set out therein and that may, in your absolute discretion, be allotted to me/us, subject to the Constitution of Rockcastle Global Real Estate Company Limited.
2. I/We wish to receive my/our allocated private placement shares in dematerialised form and will hand this offer application form to Java Capital (Proprietary) Limited, and will provide appropriate instructions to my/our CSDP or broker, as the case may be, with regard to the application herein and the payment thereof, as stipulated in the agreement governing my/our relationship with my/our CSDP or broker, as the case may be. I/We accept that payment in respect of these applications will be, in terms of the custody agreement entered into between me/us and my/our CSDP or broker, as the case may be, on a delivery-versus-payment basis.
3. I/We understand that the subscription for private placement shares in terms of the pre-listing statement is conditional on the granting of a listing of the shares of Rockcastle on the JSE Limited by Thursday, 26 July 2012 or such later date as the directors may determine.

Dated 2012	Telephone number ( )
Signature	Cell phone number
Assisted by (where applicable)	
Surname of individual or **Name of corporate body**	Mr Mrs Miss Other title
Full names (if individual)	
Postal address (preferably PO Box address)	Postal code
Telephone number ( )	
Cell phone number	
Email address	
Rand value of private placement shares applied for	**R** (Enter figures only – not words)

Required information must be completed by CSDP or broker with their stamp and signature affixed hereto.

CSDP name	Stamp and signature of CSDP or broker
CSDP contact person	
CSDP contact telephone number ( )	
SCA or bank CSD account number	
Scrip account number	
Settlement bank account number	

This application will constitute a legal contract between Rockcastle Global Real Estate Company Limited and the applicant. Application forms will not be accepted unless the above information has been furnished.

INSTRUCTIONS:

1. Applications may be made on this application form only for a minimum of R1 000 000 for a single addressee acting as applicant. Copies or reproductions of the application form will be accepted at the discretion of the directors of Rockcastle.
2. Applications are irrevocable and may not be withdrawn once submitted.
3. CSDP's and brokers will be required to retain this application form for presentation to the directors if required.
4. Please refer to the terms and conditions of the SA private placement set out in paragraph 13 of the pre-listing statement. Applicants should consult their broker or other professional advisor in case of doubt as to the correct completion of this application form.
5. Applicants need to have appointed a CSDP or broker and must advise their CSDP or broker in terms of the custody agreement entered into between them and their CSDP or broker. Payment will be made on a delivery-versus-payment basis.
6. No payment should be submitted with this application form to Rockcastle.
7. If payment is dishonoured, or not made for any reason, Rockcastle may, in its sole discretion, regard the relevant application as invalid or take such other steps in regard thereto as it may deem fit.
8. No receipts will be issued for application forms, application monies or any supporting documentation.
9. All alterations on this application form must be authenticated by full signature.
10. As allocated private placement shares are being transferred to successful invited investors on a delivery-versus-payment basis, no payment will be required to be made if the SA private placement or listing is not successful.