

ANNOUNCEMENT TO THE SHAREHOLDERS OF BONATLA PROPERTY HOLDINGS LIMITED

13th September 2021

This announcement serves to update the previous announcements made during the past 3 years.

Historical Factual Background

As previously stated, over the past 8 years the company endeavoured to lift the JSE's suspension of the trading of its shares. Unfortunately after the refusal in 2012 by the JSE to pursue the approval of a circular of compliance to all listing requirements at that time, it became impossible to achieve the lifting of the suspension for a number of reasons.

Certain ex Bluezone financial advisers initiated legal actions against Bonatla in order to defeat and irregularly circumvent the 2009 and 2010 Bluezone shareholders' special resolutions and High Court arrangements in order to obtain cash for certain clients (now all Bonatla shareholders) to the detriment of all other shareholders. These attempts, besides being illegal and irregular, affected the company's affairs since 2014.

In spite of loans advanced to the company by management and certain directors exceeding R50 million, the company could not fight an unfair and expensive battle for the lifting of the suspension. Nor could the company prevail against the illegal efforts of certain ex Bluezone financial advisers (their names will be made public shortly), to force the company to buy back for cash their Bonatla shares resulting from their Bluezone holdings that should have been surrendered in 2012. These actions ultimately rendered the affairs of the Company unsustainable, both as a listed entity and as a going concern. At the same time it was impossible to acquire sufficient net assets to justify the continuation of the listing. Transactions were in principle concluded but in light of the above mentioned actions it was impossible to bring them to finality.

Therefore the Company requested the voluntary de-listing of its shares in January 2018, and this was granted on 5th March 2018:

On 5th July 2019, the JSE informed Arbor Capital, Bonatla's sponsors, and Bonatla that the 10 year old investigation had ended. We also received confirmation that the JSE had completed its investigation into the company's affairs, and had closed its files on this matter after 10 years. The JSE found nothing irregular in the Company's affairs that were the subject of the investigation.

Accommodation of the Shareholdings of all Bonatla Shareholders in a New Entity.

There has been major progress in the project through which all shareholders of Bonatla will be accommodated, in respect of their shareholdings, in a new entity in order to allow them either to dispose of, or retain the value of the shareholding offered to them in the new entity in lieu of their existing Bonatla shareholding. **The value per share attributable to all ordinary shareholders will exceed the share price at the time of the de listing of the company in 2018.**

The transaction will be finalized by 31 December 2021

At the appropriate time, information will be forwarded to the shareholders through this medium of communication, ie the Bonatla web site. The next announcement providing the principles of the transaction will be made by **15 October 2021.**

At the same time Bonatla will be either finally unwound or in a rescue process, depending on the prevailing circumstances

I need to emphasize again that there is absolutely no obligation for the company, nor the directors to implement this arrangement, but I resolved that this process is the right thing to follow after all the pain that has been inflicted on all of us, the company, and myself during the past 10 years, not only from the unlawful actions mentioned above, but also by the inconsiderate actions of certain institutional players, with destructive unintended consequences. I believe that eventually justice will prevail.

Conclusion

Shareholders are therefore advised to exercise caution when dealing with their shares and stay in touch with the company. As shareholders you are also urged to update all your contact details, especially your email addresses, when necessary, to ensure that I can communicate with you.

Once again the **overwhelming majority** of shareholders has **over this long period** shown support and loyalty to the company, and I wish to express my gratitude **to them**.

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13 September 2021