



NOVA PROPERTY GROUP

Nova PropGrow Group Holdings Limited (2011/003964/06)

SHAREHOLDERS / NOVA PROPGROW GROUP HOLDINGS LIMITED

and

DEBENTURE CREDITORS / NOVA PROPERTY GROUP INVESTMENTS PROPRIETARY LIMITED

COMMUNIQUÉ 22 MARCH 2017

*The Board of Directors of Nova PropGrow Group Holdings Limited (“**Nova PropGrow**”) and Nova Property Group Investments Proprietary Limited (“**Nova Investments**”) report as follows.*

DEAR SHARECREDITORS AND DEBENTURE CREDITORS

LISTING PROCESS

1. As announced in the press recently (amongst others in Business Day 10 October 2017; Beeld 11 October 2017 and Financial Mail 12 October) the Nova board decided to embark on a process of listing the Nova Property Group and its related assets and interests on the JSE.
2. In order to effect the listing process, the name of Nova Property Group Holdings Limited has been changed to Nova PropGrow Group Holdings Limited and a new public company, namely “Nova Property Group Holdings Limited” (“Nova Holdings Listco”) has been established. This is the new company which will be listed on the JSE. This name change was done with the sole purpose of using the known “Nova Holdings” name for the listing process.
3. The old Nova Holdings, now Nova PropGrow, continues to exist unchanged, and remains the 100% shareholder of Nova Investments, where current debenture creditors have their debentures claims.
4. These are the debenture claims of debenture creditors which will be discharged and converted to JSE listed shares of Nova Holdings Listco as stated below.

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Dominique Haese Chief Executive Officer, **Connie Myburgh** Chairman, **Rudi Badenhorst** Financial Director, **Dirk Koekemoer** Operations Director Properties, **Matthew Osterloh** Property Director, **Nigel Adriaanse** Non Executive Director, **Lazarus Mbethe** Non Executive Director, **Charles Rembe** Non Executive Director, **Jan Smit** Non Executive Director

5. Such a listing will mean that the current debenture creditors will receive JSE listed shares for their debenture claims. These listed shares will enable the debenture creditors to, if they so wish, trade the shares on the official Stock Exchange, as opposed to the current debentures, which, although tradeable, can only be traded if the debenture creditor can find a willing buyer who is willing to buy the debentures at an agreed to price. The listed shares will also empower individuals to manage their own capital.

6. In order to obtain the consent of the debenture creditors for the proposed listing and conversion of debenture claims to JSE listed shares, an official Circular regarding a proposed Scheme of Arrangement between Nova Investments and debenture creditors, in terms of Section 155 of the Companies Act, has already been sent by registered mail to all debenture creditors.

7. The Circular states that the notice of the meeting, where the proposed Scheme of Arrangement will be considered, will be published in one English and one Afrikaans newspaper circulating throughout the country. This notice was published in the Sunday Times and Rapport of Sunday 22 October 2017.

8. The meeting of debenture creditors will be held on 10 November 2017, at 10:00 at CSIR International Convention Centre, Meiring Naude Road, Brummeria, Pretoria.

9. Debenture creditors who are unable to attend the meeting, but who would like to be represented at the meeting, must complete the personalized proxy form which forms part of the Circular which was mailed by registered mail to debenture creditors, and return the form to Frontier Accounting and Secretarial Services Proprietary Limited ("Frontier"), email address nova155@frontieram.co.za, fax no 086 508 43187 or by mail to Private Bag 27067, Monument Park, 0105.

10. **Debenture creditors must note that they must only make use of the personalized proxy form and not the form which can be obtained from the Frontier website.**

11. The last day to lodge proxy forms is at 10:00 on 8 November 2017, but proxy forms may be handed to the Chairman of the meeting no later than 30 minutes before the commencement of the meeting, together with an affidavit stating adequate reasons for lateness.

12. The different scenarios emanating from the proposed Scheme of Arrangement can be illustrated as follows:

	Result	JSE Decision	Consequence
1	Debenture creditors vote in favour of the Scheme of Arrangement	JSE approves listing	1. Nova Holdings Listco lists on the JSE. 2. Debenture creditors' debenture claims will be converted into JSE listed Nova Holdings Listco shares as per the formula which appears in Annexure "C-2" to the Circular. A conversion table is also available on the Frontier website.
		JSE does not approve listing	1. Debenture creditors' debenture claims will be converted into unlisted Nova Holdings Listco shares. 2. The intention remaining thereafter, to list Nova Holdings Listco on the JSE as soon as the JSE approves such listing
2	Debenture creditors vote against the Scheme,	No listing on the JSE	1. Status quo remains.

13. The Nova Group will announce the identity of the Transfer Secretaries of the to be listed company (Nova Holdings Listco) shortly. The Transfer Secretaries will control/manage the allocation and issue of listed Nova Holdings Listco shares to debenture creditors in accordance with the Rules of the JSE and will also render guidance regarding trading of shares on the JSE to the holders of listed shares.

14. Current shareholders in Nova PropGrow (previously Nova Property Group Holdings Limited) will shortly, by letter, be invited to convert their unlisted shares in Nova PropGrow on a one for one basis, for Nova Holdings Listco listed shares, which will be allotted and issued to the shareholders by the official Transfer Secretaries of Nova Holdings Listco, to be announced shortly as stated above, after the listing of Nova Holdings Listco, in the normal course.

Queries may be directly addressed by contacting Frontier's Call Centre on (012) 425 5000 or emailing admin@frontieram.co.za.

Yours sincerely,
The Nova Group Board