

This circular is important and requires your immediate attention

The definitions and interpretations commencing on page 7 of this circular apply, *mutatis mutandis*, to this front cover.

Action required

- If you are in any doubt as to what action you should take in respect of the transaction set out in this circular, please consult your CSDP, broker, banker, legal advisor, accountant or other professional advisor immediately.
- If you have disposed of all of your Delta linked units, please forward this circular to the purchaser of such Delta linked units or to the CSDP, broker, banker, legal advisor, accountant, professional advisor or any other agent through whom the disposal was effected.
- Delta linked unitholders are referred to page 2 of this circular, which sets out the action required by them.
- Delta does not accept responsibility, and will not be held liable for any action of or omission by any CSDP or broker including, without limitation, any failure on the part of any CSDP or broker of any beneficial owner of Delta linked units to notify such beneficial owner of the transaction set out in this circular.



Delta Property Fund Limited

(Incorporated in the Republic of South Africa)
(Registration number 2002/005129/06)

JSE share code: DLT ISIN: ZAE000172052

CIRCULAR TO DELTA LINKED UNITHOLDERS

regarding the conversion of Delta's current linked unit capital structure to an ordinary share structure by:

- **the amendment of the debenture trust deed to give effect to the conversion;**
- **the delinking of each ordinary share from a debenture so as to no longer constitute a linked unit,**
- **the cancellation of each debenture, for no consideration, to be effected by way of a scheme of arrangement in terms of section 114(1)(c) of the Companies Act;**
- **the capitalisation of an amount equal to the issue price of each debenture from an accounting perspective for purposes of financial reporting in accordance with IFRS to form part of the stated capital attributable to the ordinary shares that have been issued by Delta;**
- **the termination of the debenture trust deed; and**
- **the amendment of the MOI;**

and incorporating:

- **a report prepared by the independent expert in terms of section 114(3) of the Companies Act and Takeover Regulations;**
- **an extract of section 115 of the Companies Act;**
- **a notice convening a general meeting of Delta debenture holders (*green*);**
- **a form of proxy (for use by certificated debenture holders and dematerialised debenture holders with own-name registration only) (*blue*);**
- **a notice convening a general meeting of Delta shareholders (*orange*);**
- **a form of proxy (for use by certificated shareholders and dematerialised shareholders with own-name registration only) (*yellow*); and**
- **a form of surrender in respect of the conversion of certificated linked units to certificated shares of no par value (for use by certificated linked unitholders only) (*pink*).**

Corporate advisor and
sponsor to Delta



Independent expert



Tax advisor



CORPORATE INFORMATION AND ADVISORS

Registered office

Delta Property Fund Limited
Silver Stream Office Park
10 Muswell Road South
Bryanston, 2021
South Africa

Corporate advisor and sponsor

Nedbank Capital, a division of Nedbank Limited
(Registration number 1951/000009/06)
135 Rivonia Road
Sandown, 2196
(PO Box 1144, Johannesburg, 2000)

Tax advisor

Cliffe Dekker Hofmeyr Inc.
(Registration number 2008/018923/21)
1 Protea Place
Sandton, 2196
(Private Bag X40, Benmore, 2010)

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Date of incorporation: 5 March 2002

Company secretary

Paula Nel
BCom
Associate of the South African Institute of Chartered
Secretaries and Administrators

Independent expert

Grant Thornton
(Registration number 2002/022635/07)
137 Daisy Street
Sandown, 2196
(Private Bag X28, Benmore, 2010)

Debenture trustee

Maitland Group South Africa Limited
(Registration number 1981/009543/06)
32 Fricker Road
Illovo, 2196
(PO Box 781396, Sandton, 2146)

Place of incorporation: Johannesburg

TABLE OF CONTENTS

	Page
CORPORATE INFORMATION AND ADVISORS	Inside front cover
ACTION REQUIRED BY DELTA LINKED UNITHOLDERS	2
SALIENT DATES AND TIMES	5
DEFINITIONS AND INTERPRETATIONS	7
CIRCULAR TO DELTA LINKED UNITHOLDERS	
1. INTRODUCTION	11
2. RATIONALE	12
3. THE SCHEME	12
4. AMENDMENT OF THE MOI	14
5. AMENDMENT OF THE DEBTURE TRUST DEED	14
6. TERMINATION OF THE DEBENTURE TRUST DEED	14
7. GENERAL MEETINGS	14
8. PROCEDURE TO BE FOLLOWED BY DELTA LINKED UNITHOLDERS	14
9. SHARE CAPITAL	15
10. FINANCIAL INFORMATION	16
11. TRADING HISTORY OF DELTA LINKED UNITS	16
12. DIRECTORS AND DIRECTORS' INTEREST	16
13. AGREEMENTS IN RELATION TO THE SCHEME	20
14. MAJOR LINKED UNITHOLDERS	20
15. RELATED AND CONCERT PARTIES	20
16. MATERIAL CHANGE STATEMENT	20
17. LITIGATION STATEMENT	20
18. GOVERNING LAW	20
19. REPORT OF THE INDEPENDENT EXPERT	20
20. VIEWS OF THE BOARD	20
21. DELTA'S RESPONSIBILITY STATEMENT	21
22. CONSENTS	21
23. COSTS	21
24. DOCUMENTS AVAILABLE FOR INSPECTION	21
ANNEXURES	
ANNEXURE A – INDEPENDENT EXPERTS' OPINION	22
ANNEXURE B – THE MOI AMENDMENTS	31
ANNEXURE C – TRADING HISTORY OF DELTA LINKED UNITS	34
NOTICE OF GENERAL MEETING OF DELTA DEBENTURE HOLDERS (GREEN)	36
FORM OF PROXY FOR DELTA DEBENTURE HOLDERS (BLUE)	Attached
NOTICE OF GENERAL MEETING OF DELTA SHAREHOLDERS (ORANGE)	41
FORM OF PROXY FOR DELTA SHAREHOLDERS (YELLOW)	Attached
FORM OF SURRENDER (FOR CERTIFICATED DELTA LINKED UNITHOLDERS ONLY) (PINK)	Attached

ACTION REQUIRED BY DELTA LINKED UNITHOLDERS

The definitions and interpretations commencing on page 7 of this circular apply, *mutatis mutandis*, to this "Action required by Delta linked unitholders" section.

Please take careful note of the following provisions regarding the action required by Delta linked unitholders:

- If you are in any doubt as to what action you should take arising from this circular, please consult your broker, CSDP, banker, attorney, accountant or other professional advisor immediately.
- If you have disposed of all of your Delta linked units, this circular should be handed to the purchaser of such Delta linked units or to the broker, banker or other agent through whom the disposal was effected.
- The general meetings, convened in terms of the notice incorporated in this circular, will be held at the registered offices of Delta at Silver Stream Office Park, 10 Muswell Road South, Bryanston, 2021, on Thursday, 2 October 2014. The general meeting of Delta debenture holders will commence at 12:00, and the general meeting of Delta shareholders will commence at 12:30.

FORMS OF PROXY:

1. Dematerialised Delta linked unitholders who have elected own-name registration:

- You are entitled to attend in person, speak or be represented by proxy at the general meetings.
- If you do not wish to, or are unable to attend the general meeting of Delta debenture holders but wish to be represented thereat, you must complete and return the attached form of proxy (*blue*) for the general meeting of Delta debenture holders in accordance with the instructions contained therein and ensure that it is received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 12:00 on Thursday, 2 October 2014.
- If you do not wish to, or are unable to attend the general meeting of Delta shareholders but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*) for the general meeting of Delta shareholders in accordance with the instructions contained therein and ensure that it is received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 12:30 on Tuesday, 30 September 2014.

2. Dematerialised Delta linked unitholders who have elected other than own-name registration:

- You must not complete the attached forms of proxy (*blue or yellow*).
- If you wish to attend the general meetings, you should instruct your CSDP or broker to issue you with the necessary letter of representation to attend the general meetings in person, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.
- If you do not wish to, or are unable to attend the general meetings, but wish to vote thereat, you should provide your CSDP or broker with your voting instructions in the manner stipulated in the custody agreement governing the relationship between you and your broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature. If your CSDP or broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your CSDP or broker.

3. Certificated Delta linked unitholders:

- You are entitled to attend in person, speak or be represented by proxy at the general meetings.
- If you do not wish to, or are unable to attend the general meeting of Delta debenture holders but wish to be represented thereat, you must complete and return the attached form of proxy (*blue*) for the general meeting of Delta debenture holders in accordance with the instructions contained therein and ensure that it is received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 12:00 on Thursday, 2 October 2014.

- If you do not wish to, or are unable to attend the general meeting of Delta shareholders but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*) for the general meeting of Delta shareholders in accordance with the instructions contained therein and ensure that it is received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 12:30 on Tuesday, 30 September 2014.

FORM OF SURRENDER

1. Dematerialised Delta linked unitholders

- You must not complete the attached form of surrender (*pink*).
- Your account at your CSDP or broker will be automatically updated.

2. Certificated Delta linked unitholders

- If the scheme becomes operative, you will be required to surrender your documents of title in respect of all your Delta linked units. A form of surrender (*pink*) which is attached to this circular must be completed and sent with the relevant documents of title.
- Replacement share certificates in respect of your holding of ordinary shares in Delta are expected to be posted, by registered post, at the risk of the addressee on or about Monday, 8 December 2014 in respect of documents of title received on or before 12:00 on Friday, 5 December 2014 and thereafter within five business days of receipt of such forms of surrender, together with documents of title.
- If the documents of title relating to the Delta linked units held by a certificated Delta linked unitholder has been lost or destroyed, certificated Delta linked unitholders should nevertheless return a duly completed form of surrender (*pink*), together with an indemnity on terms satisfactory to Delta. Delta may, in its sole discretion, dispense with the surrender of such documents of title upon production of satisfactory evidence that the documents of title have been lost or destroyed and upon provision of an indemnity on terms acceptable to it. Unless otherwise agreed by Delta, only indemnity forms obtained from the transfer secretaries (available on request) will be regarded as suitable. Delta shall be entitled, in its absolute discretion, by way of agreement to waive the requirement of an indemnity.
- No receipt will be issued for documents of title surrendered unless specifically requested.
- Additional copies of the form of surrender (*pink*) are available on request from the transfer secretaries.

GENERAL

1. Approval of the scheme and other resolutions at the general meeting of Delta debenture holders

- In order to be approved, each of the special resolutions to be proposed at the general meeting of Delta debenture holders must be passed upon a show of hands by a majority consisting of not less than 75% of the Delta debenture holders present in person or represented by proxy and voting thereat, or, if a poll is duly demanded, by a majority consisting of not less than 75% of the votes cast at such poll by Delta debenture holders present in person or represented by proxy.
- A quorum for the purposes of considering the special resolutions proposed at the general meeting of Delta debenture holders shall consist of Delta debenture holders present in person or represented by proxy and holding in aggregate at least 25% of the debentures then in issue.
- In order to be approved, each of the ordinary resolutions to be proposed at the general meeting of Delta debenture holders must be passed, upon a show of hands, by a majority of Delta debenture holders, present in person or represented by proxy, and voting thereat, or, if a poll is duly demanded, by a majority of votes cast at such poll by debenture holders present in person or represented by proxy.
- A quorum for the purposes of considering the ordinary resolutions proposed at the general meeting of Delta debenture holders shall consist of Delta debenture holders present in person or represented by proxy and holding in aggregate at least 10% of the debentures then in issue.

2. Approval of the special and ordinary resolutions at the general meeting of Delta shareholders

- In order to be approved, each of the special resolutions to be proposed at the general meeting of Delta shareholders must be supported by at least 75% of voting rights exercised thereon.
- In order to be approved, each of the ordinary resolutions to be proposed at the general meeting of Delta shareholders must be supported by at least 50% of the voting rights exercised thereon at the general meeting of Delta shareholders, present in person or represented by proxy, thereat.

- A quorum for the purposes of considering the shareholder resolutions proposed at the general meeting of Delta shareholders shall consist of not less than three shareholders of the company personally present (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the general meeting of Delta shareholders.
- In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the general meeting of Delta shareholders.

3. Electronic participation at the general meetings

- Delta linked unitholders or their proxies may participate in the general meetings by way of a teleconference call and, if they wish to do so:
 - must contact the company secretary (by email at the address paulanel@pnsc.co.za) no later than 12:00 on Tuesday, 30 September 2014 in order to obtain a pin number and dial-in details for such conference call;
 - will be required to provide reasonably satisfactory identification; and
 - will be billed separately by their own telephone service providers for their telephone call to participate in the general meetings,
 provided that Delta linked unitholders and their proxies will not be able to vote telephonically at the general meetings and will still need to appoint a proxy to vote on their behalf at the general meetings.

4. Court approval

- Delta linked unitholders are advised that, in terms of section 115(3) of the Companies Act, Delta may in certain circumstances not proceed to implement the special resolutions required to approve the scheme, despite the fact that it has been adopted at the general meetings, without the approval of the court.
- A copy of section 115 of the Companies Act pertaining to the required approval for the scheme is set out in Appendix A to the independent expert's report and forms part of this circular.

5. Dematerialisation.

- If you wish to dematerialise your Delta linked units, please contact your broker. Delta linked unitholders are advised that no dematerialisation or rematerialisation of linked units may take place after Friday, 28 November 2014.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 7 of this circular apply, *mutatis mutandis*, to this "Salient dates and times" section.

	2014
Record date in order to receive the circular	Friday, 15 August
Circular posted to Delta linked unitholders on	Wednesday, 27 August
Announcement relating to the issue of the circular released on SENS on	Wednesday, 27 August
Last day to trade in order to be eligible to vote at the general meetings	Thursday, 18 September
Voting record date	Friday, 26 September
Last day to lodge forms of proxy for the general meeting of Delta shareholders by 12:30	Tuesday, 30 September
Last day to lodge forms of proxy for the general meeting of Delta debenture holders by 12:00	Thursday, 2 October
General meeting of Delta debenture holders held at 12:00 on	Thursday, 2 October
General meeting of Delta shareholders to be held at 12:30 on	Thursday, 2 October
Results of the general meetings released on SENS on	Thursday, 2 October
Results of the general meetings published in the press on	Friday, 3 October
Last date on which dissenting Delta linked unitholders can make application to court in terms of section 115(3)(a) of the Companies Act if the scheme is approved by Delta linked unitholders at the general meetings, but with sufficient opposing votes that Delta linked unitholders may require the company to obtain court approval for the scheme as contemplated in section 115(3)(a)	Friday, 10 October
<i>If no Delta linked unitholders exercise their rights in terms of section 115(3)(a) of the Companies Act</i>	
Finalisation date expected to be on	Friday, 21 November
Finalisation date announcement expected to be released on SENS on	Friday, 21 November
Finalisation date announcement expected to be published in the press on	Monday, 24 November
Expected last day to trade in existing Delta linked units on the JSE prior to the delinking of the Delta linked units and the capitalisation of the Delta debentures on	Friday, 28 November
Trading in delinked ordinary shares of no par value under the new ISIN: ZAE000194049 and the existing code of "DLT" commences on	Monday, 1 December
Expected suspension of listing of linked units on the JSE	Monday, 1 December
Expected scheme implementation record date for the delinking of the linked units and the capitalisation of the debentures at the close of business on	Friday, 5 December
Expected scheme operative date	Monday, 8 December
Expected date dematerialised shareholders will have their accounts updated at their CSDP or broker on	Monday, 8 December
Expected date of issue of new replacement share certificates provided that the old linked unit certificates have been surrendered by 12:00 on Friday, 5 December 2014 (any certificated linked units surrendered after this date will be replaced within five business days after receipt by the transfer secretaries)	Monday, 8 December
Expected termination of listing of Delta linked units (at the commencement of trade) on	Monday, 8 December

Notes:

1. All dates and times indicated in this circular are South African dates and times.
2. All dates and times indicated in this circular are subject to change by Delta. Any change will be released on SENS.
3. Delta linked unitholders should note that as trade in Delta linked units are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade. Therefore, Delta linked unitholders who acquire Delta linked units after Thursday, 18 September 2014 will not be eligible to vote at the general meeting of Delta debenture holders or the general meeting of Delta shareholders.
4. If the general meeting of Delta debenture holders and/or the general meeting of Delta shareholders are adjourned or postponed, forms of proxy submitted for the initial general meeting of Delta debenture holders and/or general meeting of Delta shareholders, as the case may be, will remain valid in respect of any adjournment or postponement of the general meeting of Delta debenture holders and/or the general meeting of Delta shareholders.
5. No dematerialisation of Delta linked units may take place after Friday, 28 November 2014.
6. This circular is available in English only. Copies may be obtained from the registered office of Delta and Nedbank Capital at the addresses set out in the "Corporate information and advisors" section of this circular and on the company's website www.deltafund.co.za from Wednesday, 27 August 2014 until the date of the general meetings.

DEFINITIONS AND INTERPRETATIONS

In this circular, the annexures and forms attached hereto, unless otherwise stated or clearly indicated by the context, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words importing one gender include the other genders and references to a natural person include references to a juristic person and *vice versa*:

"BEE"	black economic empowerment as contemplated in the Broad-Based Black Economic Empowerment Act, No 53 of 2003, as amended from time to time;
"board" or "directors"	the board of directors of Delta, comprising the directors reflected on page 11 of the circular;
"business day"	a day other than a Saturday, Sunday or a public holiday in South Africa;
"certificated debenture holders"	registered holders of certificated Delta debentures;
"certificated Delta linked unitholders" or "certificated linked unitholders"	registered holders of certificated Delta linked units;
"certificated Delta linked units" or "certificated linked units"	Delta linked units represented by linked unit certificates or other physical documents of title, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
"certificated Delta shareholders" or "certificated shareholders"	registered holders of certificated Delta shares;
"certificated Delta shares" or "certificated shares"	Delta shares represented by share certificates or other physical documents of title, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
"CIPC"	the Companies and Intellectual Property Commission;
"circular"	this document, dated Wednesday, 27 August 2014, including the annexures hereto, the notices of the general meetings, the forms of proxy in respect of the general meetings and the form of surrender;
"common monetary area"	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
"Companies Act"	the Companies Act, 71 of 2008, as amended, including the Regulations;
"conditions precedent"	the suspensive conditions to which the implementation of the scheme is subject, as set out in paragraph 3.2 of the circular;
"contributed tax capital"	contributed tax capital as defined in section 1 of the Income Tax Act;
"corporate advisor" or "sponsor" or "Nedbank Capital"	Nedbank Capital, a division of Nedbank Limited (Registration number 1951/000009/06), a public company registered and incorporated in South Africa and the corporate advisor and sponsor to Delta;
"court"	a court of competent jurisdiction in South Africa;
"CSDP"	a person that holds in custody and administers securities or an interest in securities and has been accepted by a central securities depository as a participant in terms of section 34 of the Financial Markets Act;
"debenture holders" or "Delta debenture holders"	the registered holders of Delta debentures;
"debentures" or "Delta debentures"	an unsecured, subordinated, variable rate debenture with a nominal value of R1.15;

"debenture trust deed"	the trust deed in respect of the debentures entered into between the company and the debenture trustee, as amended from time to time;
"debenture trust deed amendment"	the proposed amendments to the debenture trust deed required to be effected in order to facilitate the implementation of the transaction, as set out in paragraph 5 of this circular;
"debenture trustee" or "Maitland"	Maitland Group South Africa Limited (Registration number 1981/009543/06), a public company registered and incorporated in South Africa and the debenture trustee to Delta;
"delinked ordinary shares"	an ordinary share of the company of no par value which share is to be listed under the new ISIN: ZAE000194049 in consequence of the implementation of the scheme;
"delinking"	the delinking of each of the company's linked units into a separate share and a debenture, so as to no longer constitute a linked unit;
"Delta" or "the company"	Delta Property Fund Limited (Registration number 2002/005129/06), a public company registered and incorporated in South Africa;
"Delta Group"	Delta and its subsidiaries;
"dematerialise(d)" or "dematerialisation"	the process by which certificated Delta linked units are converted into electronic format as dematerialised Delta linked units and recorded in Delta's uncertificated securities register;
"dematerialised debenture holders"	registered holders of certificated Delta debentures;
"dematerialised Delta linked unitholders" or "dematerialised linked unitholders"	registered holders of certificated Delta linked units;
"dematerialised Delta shareholders" or "dematerialised shareholders"	registered holders of certificated Delta shares;
"documents of title"	a share certificate, debenture certificate, certificated transfer deed, balance receipt and/or other form of acceptable document of title to Delta in respect of Delta linked units;
"Exchange Control Regulations"	the Exchange Control Regulations, promulgated in terms of section 9 of the Currency and Exchanges Act, 9 of 1933, as amended;
"finalisation date"	the date on which all conditions precedent have been fulfilled or waived, as the case may be;
"Financial Markets Act"	Financial Markets Act, 19 of 2012, as amended from time to time;
"general meeting of Delta debenture holders"	the general meeting of Delta debenture holders to be held at 12:00 on Thursday, 2 October 2014 at the registered office of the company, to consider and, if deemed appropriate, to approve the resolutions as more fully set out in the notice of general meeting to Delta debenture holders attached to the circular;
"general meeting of Delta shareholders"	the general meeting of Delta shareholders to be held at 12:30 on Thursday, 2 October 2014 at the registered office of the company to consider, and, if deemed appropriate, to approve the resolutions as more fully set out in the notice of general meeting to Delta shareholders attached to the circular;
"general meetings"	collectively, the general meeting of Delta debenture holders and the general meeting of Delta shareholders;
"IFRS"	International Financial Reporting Standards, as adapted from time to time by the board of the International Accounting Standards Committee;
"Income Tax Act"	Income Tax Act 58 of 1962, as amended;

“independent expert” or “Grant Thornton”	Grant Thornton (Registration number 2002/022635/07), a private company registered and incorporated in South Africa and appointed to provide external advice to the board in relation to the scheme and Regulation 110(i);
“independent expert’s report”	the report to the board prepared by the independent expert in compliance with section 114(3) of the Companies Act, which report is set out in Annexure A to the circular;
“issue price”	the actual issue price of a debenture by the company;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“last practicable date”	Monday, 18 August 2014, being the last practicable date prior to the finalisation of this circular;
“linked unitholders” or “Delta linked unitholders”	registered holders of Delta linked units;
“linked units” or “Delta linked units”	Delta linked units listed on the JSE, each comprising one Delta share indivisibly linked to one Delta debenture;
“Listings Requirements”	the Listings requirements of the JSE, as amended from time to time;
“MOI”	the existing memorandum of incorporation of the company;
“MOI amendments”	the proposed amendments to the company’s MOI required to be effected, upon the approval and implementation of the scheme as set out in paragraph 4 of the circular;
“own name registration”	dematerialised Delta linked unitholders who have instructed their CSDP to hold their Delta linked units in their own name on the uncertificated securities register of Delta;
“R” or “Rand”	South African Rand, the official currency of South Africa;
“register”	Delta’s securities register, including all sub-registers;
“registered office of Delta”	registered office of Delta, Silver Stream Office Park, 10 Muswell Road South, Bryanston, 2021;
“REIT”	Real Estate Investment Trust, as contemplated in the Listings Requirements;
“resolutions”	the special and ordinary resolutions to be proposed at the general meetings;
“scheme”	the scheme of arrangement in terms of section 114(1)(c) of the Companies Act, proposed by the board between the company and the Delta linked unitholders at the general meetings, in terms of which the Delta debentures will be cancelled for no consideration, the debenture trust deed will be terminated and the issue price of each Delta debenture will be added to the contributed tax capital of the ordinary shares from an accounting perspective for the purposes of financial reporting in accordance with IFRS, pursuant to the provisions of section 25BB(8) of the Income Tax Act;
“scheme implementation record date”	the date on which linked unitholders must be recorded in the register in order to participate in the scheme and receive delinked ordinary shares, which date is expected to be on or about Friday, 5 December 2014;
“scheme operative date”	the business day on which the scheme is implemented, being the first business day following the scheme implementation record date, which is expected to be Monday, 8 December 2014;
“SENS”	Stock Exchange News Service, the new service operated by the JSE;
“shareholders” or “Delta shareholders”	registered holders of Delta shares;
“shares” or “ordinary shares” or “Delta shares”	an ordinary share of the company of no par value;

"South Africa"	the Republic of South Africa;
"Strate"	Strate Limited (Registration number 1998/022242/06), a public company incorporated in South Africa, which is a central securities depository and which is responsible for the electronic settlement system used by the JSE;
"Takeover Regulations" or "Regulations"	the Companies Regulations 2011, published in terms of the Companies Act;
"tax advisor" or "Cliffe Dekker"	Cliffe Dekker Hofmeyr Inc. (Registration number 2008/018923/21), a profit company registered and incorporated in South Africa and the legal tax advisor to Delta;
"transaction"	collectively: <ul style="list-style-type: none"> • the debenture trust deed amendment; • the delinking of each Delta share from a Delta debenture, so as to no longer constitute a Delta linked unit; • the scheme; and • the MOI amendments;
"transfer secretaries"	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa and the transfer secretary to Delta;
"TRP"	the Takeover Regulation Panel established in terms of section 196 of the Companies Act; and
"voting record date"	the date, and the time at, which: <ul style="list-style-type: none"> • a debenture holder must be recorded in the register in order to vote at the general meeting of Delta debenture holders; and • a shareholder must be recorded in the register in order to vote at the general meeting of Delta shareholders, being Friday, 26 September 2014.



Delta Property Fund Limited

(Incorporated in the Republic of South Africa)
(Registration number 2002/005129/06)

JSE share code: DLT ISIN: ZAE000172052

Directors

JB Magwaza* (*Non-Executive Chairman*)
SH Nomvete (*Chief Executive Officer*)
BA Corbett (*Chief Financial Officer*)
N Khan* (*Lead Independent Non-Executive Director*)
IN Mkhari#
JJG da Costa* (*Portuguese citizen*)
KE Schmidt*
PD Simpson* (*British citizen*)

**Non-Executive*

**Independent Non-Executive*

CIRCULAR TO DELTA LINKED UNITHOLDERS

1. INTRODUCTION

As announced on SENS on 5 August 2013, Delta's application for REIT status was approved by the JSE with effect from 1 March 2014. The JSE REIT approval process included confirmations and undertakings by the board that the company will comply with section 13 of the Listings Requirements in order for the company to retain its REIT status. The board proposes to convert the company's current linked unit capital structure to an ordinary share structure so as to ensure compliance with section 13 of the Listings Requirements.

The conversion of the company's current linked unit capital structure to an all share structure will be implemented by:

- the delinking of each ordinary share from a debenture so as to no longer constitute a linked unit;
- the cancellation of each Delta debenture for no consideration;
- the capitalisation of the issue price of each Delta debenture to the stated capital attributable to the ordinary shares issued by the company from an accounting perspective for purposes of financial reporting in accordance with IFRS and the increase of the contributed tax capital of Delta attributable to the ordinary shares issued by Delta by the issue price of each cancelled debenture, as contemplated in section 25BB(8) of the Income Tax Act; and
- termination of the debenture trust deed, without payment or other compensation to Delta debenture holders,

to be effected by way of a scheme of arrangement in terms of section 114(1) (c) of the Companies Act. The scheme is being proposed by the board between the company and the Delta linked unitholders and shall, subject to the passing of the relevant resolutions at the general meetings, be binding on all Delta linked unitholders.

In order to approve and implement the scheme, certain amendments to the debenture trust deed are to be effected. In terms of clause 40 of the debenture trust deed, the power to agree to any variation or modification of any of the rights of the debenture holders, subject to the consent or concurrence of the company, may only be exercised by the debenture holders by special resolution.

Accordingly, the delinking of each ordinary share from a debenture requires:

- the passing of a special resolution by Delta debenture holders to approve the debenture trust deed amendment;
- the passing of a special resolution by Delta debenture holders approving such delinking; and
- the passing of a special resolution by Delta shareholders approving such delinking.

In addition, Delta linked unitholders will be requested to authorise and approve, upon implementation of the scheme, the subsequent termination of the debenture trust deed.

The passing of the requisite resolutions authorising and approving the delinking and the scheme will further necessitate the authorisation and approval of shareholders (by way of a special resolution) of consequential amendments to the company's MOI.

The purpose of this circular is to provide Delta linked unitholders with the necessary information to enable them to make an informed decision as to whether or not they should vote in favour of the resolutions required to approve and implement the transaction.

2. RATIONALE

In terms of the Listings Requirements the total consolidated IFRS liabilities of a REIT may not exceed 60% of its total consolidated IFRS assets. As the Listings Requirements make use of the IFRS definition of a liability a company is required to include in such calculation any debentures it has issued.

For the purposes of calculation the aforementioned gearing ratio, the JSE has provisionally allowed all REITS to exclude its debentures which form part of its linked unit capital structure, including any debenture premium in the calculation for the determination of such 60% threshold.

After 1 July 2015 the ratio of the company's total consolidated liabilities to total consolidated assets must be based on the total consolidated liabilities as reflected in the IFRS financial statements and no separate adjustment may be made for any debentures, even if they are part of the historic linked unit structure.

By converting its capital structure, the company will reduce the ratio of its total consolidated liabilities (excluding debentures, as these will no longer exist subsequent to the passing of the requisite resolutions) to total consolidated assets, calculated as at the last practicable date, to 49% and will thereby ensure that the company's consolidated liabilities remain below the aforementioned 60% threshold requirement.

Pursuant to the implementation of the scheme, R518 698 808, being the sum of the issue price of the debentures will be capitalised to Delta's stated capital account attributable to the ordinary shares for accounting purposes.

3. THE SCHEME

3.1 Overview and effect

Pursuant to and in terms of the scheme, the capital structure of Delta will be restructured to comprise exclusively of share capital with the number of delinked ordinary shares in issue being equal to the number of linked units in issue before the scheme. This will be achieved through the following steps:

- the company will delink the ordinary shares and the debentures forming the linked units;
- the company will cancel all the debentures, without any consideration or other compensation being payable to the Delta debenture holders;
- the capitalisation of the issue price of each Delta debenture to the stated capital attributable to the ordinary shares issued by the company from an accounting perspective for purposes of financial reporting in accordance with IFRS and the increase of the contributed tax capital of Delta attributable to the ordinary shares issued by Delta by the issue price of each cancelled debenture, as contemplated in section 25BB(8) of the Income Tax Act; and
- the debenture trust deed will be terminated, without payment or other compensation to Delta debenture holders.

The effect of the scheme is that Delta linked unitholders will retain the same shares held as part of the linked units, but that the debenture component of the linked unit will be cancelled. Pursuant to the cancellation, the company's stated capital will be increased by an amount equal to the issue price of the cancelled debenture from an accounting perspective. At the same time the contributed tax capital of Delta will be increased by the issue price of the cancelled debentures. The inherent rights of the ordinary shares remain unchanged, save that the ordinary shares will be capable of being traded without the debenture element and that the ordinary shares will be evidenced by a larger pool of stated capital from an accounting perspective.

3.2 Conditions precedent

The scheme will be subject to the following conditions precedent:

- the requisite majority of Delta debenture holders and Delta shareholders approving the relevant resolutions required to authorise:
 - the debenture trust deed amendment;
 - the delinking of each ordinary share from a debenture so as to no longer constitute a linked unit;
- the approval of the scheme by the requisite majority of Delta linked unitholders at the general meetings, as contemplated in section 115(2)(a) of the Companies Act; and
 - to the extent required, the approval of the implementation of such resolutions by the court as contemplated in section 115(3)(a) of the Companies Act; and
 - if applicable, the company not treating the aforesaid resolutions as a nullity, as contemplated in section 115(5)(b) of the Companies Act;
- the requisite majority of Delta shareholders approving the relevant resolutions required to authorise the MOI amendments, as detailed in paragraph 4 below; and
- all applicable regulatory and statutory approvals are obtained.

3.3 Tax implications of the scheme

The implementation of the scheme will be tax neutral to Delta and its linked unitholders. The cancellation of the debentures must be disregarded in determining the taxable income of the linked unitholders as well as Delta. The expenditure incurred by each shareholder of Delta in respect of the ordinary shares will be deemed to be equal to the amount of the expenditure incurred in respect of the acquisition of the linked units. The issue price of each cancelled debenture will be added to the contributed tax capital attributable to the ordinary shares by Delta.

Delta linked unitholders, who are not South African residents for tax purposes, may be subject to different taxation treatments, and accordingly are cautioned to consult their professional tax advisors in this regard.

If Delta linked unitholders are in any doubt as to the tax implications to them of the receipt of qualifying distributions from the company and/or tax implications applicable to the scheme generally, they should consult their professional tax advisors.

3.4 The general meeting of Delta debenture holders

The notice convening the general meeting of Delta debenture holders (*green*) is set out on page 36 of the circular.

Details of the action required by Delta debenture holders recorded in the register on the voting record date is set out on page 2 of the circular.

3.5 Dissenting Delta linked unitholders

3.5.1 Despite the special resolutions having been adopted approving the scheme, the company may not proceed to implement the scheme without the approval of the court if:

3.5.1.1 the special resolutions approving the scheme was opposed by at least 15% of the voting rights that were exercised on that resolution, and within five business days after the vote, any person who voted against the special resolution requires the company to seek court approval; or

3.5.1.2 the court, on application within 10 business days after the vote by any person who voted against the special resolution approving the scheme, grants that person leave to apply to a court for a review of the scheme.

3.5.2 If the special resolutions approving the scheme requires approval by a court as contemplated in terms of paragraph 3.5.1 above, the company must either:

3.5.2.1 within 10 business days after the vote apply to the court for approval, and bear the costs of that application; or

3.5.2.2 treat the special resolution as a nullity.

3.5.3 On application contemplated in paragraph 3.5.1.2, the court may grant leave to that person to apply to court for a review of the scheme only if satisfied that the applicant:

3.5.3.1 is acting in good faith;

3.5.3.2 appears prepared and able to sustain the proceedings; and

3.5.3.3 has alleged facts which if proved would support an order in terms of paragraph 3.5.4 below.

- 3.5.4 On reviewing the special resolution that is the subject of an application contemplated in paragraph 3.5.1, or after granting leave as contemplated in paragraph 3.5.3, the court may set aside the special resolution only if:
- 3.5.4.1 the resolution is manifestly unfair to the company's debenture holders; or
 - 3.5.4.2 the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Companies Act, the MOI (or any applicable rules of the company) or other significant and material procedural irregularity.
- 3.5.5 A copy of section 115 of the Companies Act is set out in Appendix A to the independent expert's report and forms part of the circular.

4. AMENDMENT OF THE MOI

To enable and give effect to the scheme, various amendments are required to be made to the MOI. The proposed amendments are detailed in Annexure B hereto.

5. AMENDMENT OF THE DEBENTURE TRUST DEED

To enable and give effect to the scheme, various amendments are required to be made to the Debenture Trust Deed. The amendment relates to the inclusion of the following new clause into the Debenture Trust Deed as clause 45 after clause 44:

"45 *DELINKING, CANCELLATION AND CAPITALISATION*

Subject to a Debenture Special Resolution, the Company may:

- 45.1 *delink the Ordinary Shares and the Debentures for the purpose of the cancellation and subsequent capitalisation as contemplated in 45.2 and 45.3;*
- 45.2 *subsequent to the delinking as contemplated in 45.1, cancel the Debentures and terminate the Deed, without payment to the Debenture Holders; and*
- 45.3 *subsequent to the delinking and cancellation as contemplated in 45.1 and 45.2, capitalise the issue price of the Debentures from an accounting perspective for purposes of financial reporting in accordance with IFRS to the Company's stated capital account attributable to the ordinary shares and to increase the contributed tax capital attributable to the ordinary shares by the issue price of the Debentures."*

6. TERMINATION OF THE DEBENTURE TRUST DEED

Following implementation of the scheme, the debenture trust deed will be terminated with effect from the scheme operative date.

7. GENERAL MEETINGS

The general meeting of Delta debenture holders will be held at 12:00 on Thursday, 2 October 2014 at the registered office of Delta, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to approve the transaction. A notice convening such general meeting of Delta debenture holders is attached hereto, and forms part of the circular.

The general meeting of Delta shareholders will be held at 12:30 on Thursday, 2 October 2014 at the registered office of Delta, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to approve the transaction. A notice convening such general meeting of Delta shareholders is attached hereto, and forms part of this circular.

8. PROCEDURE TO BE FOLLOWED BY DELTA LINKED UNITHOLDERS

8.1 Procedures to be followed by certificated Delta linked units

- 8.1.1 Subject to the scheme becoming unconditional and thus capable of implementation, it is necessary to recall linked unit certificates from certificated Delta linked unitholders in order to replace them with ordinary share certificates of no par value.

- 8.1.2 To facilitate the timeous receipt by Delta linked unitholders of replacement share certificates, certificated Delta linked unitholders who wish to anticipate the implementation of the scheme and who do not wish to deal in their existing linked units prior to the implementation of the scheme, are requested to surrender their original certificates (copies will not be accepted), under cover of the form of surrender provided in the circular, to the transfer secretaries, at the address set out in that form, prior to 12:00 on Friday, 5 December 2014. Certificated Delta linked units surrendered after this date will be replaced within five business days after receipt by the transfer secretaries.
- 8.1.3 Delta linked unit certificates so received will be held in trust by the transfer secretaries pending the scheme becoming unconditional. On or about Monday, 8 December 2014, the transfer secretaries will return the new ordinary share certificates, which reflect the delinked Delta ordinary share (the value of which will be increased by the issue price of each debenture for accounting purposes), to the registered holders thereof, by registered post, at the risk of such Delta linked unitholders.
- 8.1.4 On Friday, 21 November 2014, the finalisation announcement will be released on SENS. Should the scheme be approved and implemented, certificated Delta linked unitholders who have not already surrendered their Delta linked unit certificates will be required to do so under the attached form of surrender which should be retained for that purpose as no further form of surrender will be circulated to Delta linked unitholders. Additional copies may be requested from the transfer secretaries.
- 8.1.5 In the instance of Delta linked unitholders whose registered addresses in the company's register are outside of the common monetary area, or where the relevant certificates are restrictively endorsed in terms of the South African Exchange Control Regulations, the following will apply:
- 8.1.5.1 for non-residents who are emigrants from the common monetary area, the replacement share certificate will be sent to Delta linked unitholders' authorised dealer in foreign exchange in South Africa controlling their blocked assets; and
- 8.1.5.2 for all other non-residents, the replacement share certificate will be restrictively endorsed "non-resident" in terms of the South African Exchange Control Regulations.

8.2 Procedure to be followed by dematerialised Delta linked unitholders

Delta linked unitholders will have their accounts at their CSDP or broker automatically updated on the scheme operative date and need not do anything.

9. SHARE CAPITAL

The company's linked unit structure before the proposed scheme is set out below:

	<i>Before the scheme</i>
	R
Authorised share capital	
Ordinary shares: 3 000 000 000 shares with no par value	–
Issued share capital	
Ordinary shares: 451 042 442 ordinary shares with no par value	
Stated capital	2 896 440 956
Debentures	
Issued: 451 042 442 debentures of R1.15 cents each	518 698 808
Total	3 415 139 764

The company's share structure after the proposed scheme is set out below:

	<i>After the scheme</i>
	R
Authorised share capital	
Ordinary shares: 3 000 000 000 shares with no par value	–
Issued share capital	
Ordinary shares: 451 042 442 ordinary shares with no par value	–
Stated capital	3 415 139 764
Total	3 415 139 764

10. FINANCIAL INFORMATION

10.1 Historical information

Whilst the scheme constitutes an affected transaction and thus falls within the definition of an "offer" in terms of section 117(1)(f) of the Companies Act, no offer consideration will be payable to Delta debenture holders pursuant to the implementation of the scheme. The value allocated to each debenture in the books of account of the company will be capitalised to the company's stated capital account. Recognising that the company's historical financial information will not provide Delta linked unitholders with a comparative basis for assisting in the determination whether to approve the scheme or not, historical financial information has not been included in this circular.

The audited financial statements of the company for the years ended 28 February 2013 and 28 February 2014 are available at the company's website www.deltafund.co.za and are also available for inspection during normal office hours on business days from the date of issue of this circular until the date of the general meetings, at the registered office of Delta.

10.2 Pro forma information

In accordance with the provisions of paragraph 8 of section 25BB of the Income Tax Act, the issue price of each debenture will be capitalised to the company's stated capital account. The effect on Delta's statement of financial position is therefore limited to a reclassification of the debenture balance to stated capital.

With regard to Delta's statement of comprehensive income, the scheme will have the effect of reducing the amount disclosed as interest paid. An amount equivalent to the reduction in interest paid will instead be reflected as a dividend paid to shareholders through the company's statement of changes in equity. The scheme will therefore have no effect on the total distribution paid to Delta unitholders/shareholders.

11. TRADING HISTORY OF DELTA LINKED UNITS

Trading history of Delta linked units on the JSE for the two years preceding the last practicable date is set out in Annexure C to this circular.

12. DIRECTORS AND DIRECTORS' INTEREST

12.1 Directors details

The names, qualifications, ages, business addresses and functions of the directors are set out below.

Name, qualification and age	Function	Business address
Johannes Bhekumuzi Magwaza (72) <i>BA MA (Warwick UK)</i>	Non-Executive Chairman	42 Addison Drive La Lucia Durban, 4001
Sandile Hopeson Nomvete (41) <i>Exec Dep. & Prop Dev. Prog. (Wits & UCT Business Schools)</i>	Chief Executive Officer	Silver Stream Office Park 10 Muswell Road South Bryanston, 2021
Bronwyn Anne Corbett (33) CA(SA)	Chief Financial Officer	Silver Stream Office Park 10 Muswell Road South Bryanston, 2021
Nooraya Khan (45) CA(SA)	Lead Independent Non-Executive Director	Suite 8b 1st Floor 3 Melrose Boulevard Melrose Arch, 2196
Ipeleng Nonkululeko Mkhari (39) BSoc.Sc (Univ. of Natal, Durban)	Non-Executive Director	Silver Stream Office Park 10 Muswell Road South Bryanston, 2021

Name, qualification and age	Function	Business address
Jose Jorge Goncalves da Costa (58) (Portuguese citizen)	Independent Non-Executive Director	2 Ayrshire Avenue Longmeadow Business Estate Edenvale, 1610
Karl Ernst Schmidt (59) CA(SA)	Independent Non-Executive Director	9 Catherine Avenue Cowies Hill, 3610 Durban
Paul David Simpson (61) (British citizen) <i>Royal Institute of British Architects Part 1</i>	Independent Non-Executive Director	10 Surcingle Avenue Hout Bay

12.2 Directors' abridged *curricula vitae*

Johannes Bhekumuzi ("JB") Magwaza – Non-Executive Chairman

JB has many years' experience as a board representative for various JSE listed and non-listed entities including chairmanships at Tongaat-Hullet Limited, Pamodzi Investment Holdings Proprietary Limited, Motseng Proprietary Limited ("Motseng"), Mutual & Federal Limited and Nkunzi Investment Holdings Proprietary Limited.

He was the founder chairman of the National Economic Initiative and served on the executive committee of the Urban Foundation and the Development Bank of Southern Africa. JB has been the recipient of numerous provincial, national and international prestigious awards and brings a wealth of fiduciary experience to the board of Delta.

Since retiring in 2003, he has become an active non-executive director of a number of black-owned and controlled companies in which he has helped form and lead consortiums, managed conflict and dispute resolutions, implemented government disciplines, developed strategies and imparted valuable management skills.

Sandile Hopeson Nomvete ("Sandile") – Chief Executive Officer

Sandile is a co-founder of Motseng with almost a decade and a half of experience in executive positions. He played an instrumental role in developing Motseng from a small start-up when it was founded in 1998, into a major BEE player with a reputation in property management, facilities management and industrial investments. In 2009 he co-founded Delta.

During his career, Sandile has been affiliated with both NBS Bank Limited and Tongaat Hulett Group Limited as a systems analyst from 1994 to 1998. He currently serves as an independent non-executive director of KAP International Holdings Limited and sits on their audit committee.

He was previously the managing director of Motseng-Marriott services which then became Motseng Property Services and he also served as a director of all Motseng subsidiaries.

He has completed the property development programme from University of Cape Town Graduate School of Business, as well as the executive development programme and finance for non-financial managers course from the University of Witwatersrand Graduate School of Business. He also holds a national diploma in computer programming from the Computer Career College.

Bronwyn Anne Corbett ("Bronwyn") – Chief Financial Officer

Bronwyn is a chartered accountant with over eight years' experience in the property sector with a specific focus on property investment.

Prior to joining Motseng in April 2009 as the Chief Financial Officer, Bronwyn was the Financial Director and joint founder of Universal Retail Construction Proprietary Limited and also the financial and operations director for Universal Property Professionals Proprietary Limited, a development and property ownership company with a portfolio in excess of R12 billion.

Bronwyn has been integral in the build-up of the Delta property portfolio to its current fair value of c.R7.1 billion. Bronwyn has experience in securing finance for property investments and has established relationships with various property sellers which has been paramount to the success of Delta.

She holds a Bachelor of Commerce in Accounting from the University of Natal and is a member of the Institute of Chartered Accountants and a registered auditor.

Nooraya Khan (“Nooraya”) – Lead Independent Director

Nooraya is a chartered accountant and a highly experienced and successful private equity transactor.

During her combined 13-year tenure at Rand Merchant Bank, a division of FirstRand Bank Limited and the Industrial Development Corporation of South Africa Limited (“IDC”) she gained vast experience in negotiating, implementing and managing a large number of private equity and BEE transactions across South Africa. She also gained exposure to project finance transactions and risk management as a manager in the Project Finance and Risk Management divisions of the IDC.

Along with her various board commitments, including her position as a board member at FirstRand Bank Limited and a committee member for their investment committee, Nooraya is currently the co-founder of a women’s investment group called DKH Women Equity Boutique Proprietary Limited.

Ipeleng Nonkululeko Mkhari (“Ipeleng”) – Non-Executive Director

Ipeleng is the founder and Chief Executive Officer of Motseng Investment Holdings (“MIH”), a diversified investment holdings group with investments spanning asset management, property management, infrastructure investing, logistics and industrial manufacturing. A pioneering entrepreneur, she established the first black woman owned CCTV business and subsequently founded MIH in 1998.

She holds a Bachelor of Social Science degree, has completed The Executive Development Programme at Wits Business School and is an Archbishop Tutu Fellow. Ipeleng has served on various boards of unlisted and listed businesses, public sector agencies and nonprofit organisations. She is currently a non-executive director of KAP Industrial, Delta, Nampak Limited, South African Property Owners Association (SAPOA) and St John’s Diocesan School for Girls.

Over 16 years in business, Ipeleng has been named the Cosmopolitan Mover of the Year in 2006 and she was a finalist in the Entrepreneur Business Woman of the Year Award (National Business Women’s Association) in the same year. She was named one of CEO magazines Most Influential Women in Business in 2008. She has been featured in The Times (March 2012) as one of 20 Movers and Shakers in Africa and was recently featured by Destiny Magazine’s 25 Most Inspirational Entrepreneurs (July 2013).

Jose Jorge Goncalves Da Costa (“Jorge”) – Independent Non-Executive Director

Jorge has been in the property industry for the past 30 years and is a founding director of Improvon Property Group Proprietary Limited, developers of prime industrial properties across South Africa. Jorge serves on the board of Resilient Property Income Fund and was also previously a director of Property Fund Managers Limited, the management company of Capital Property Fund.

Karl Ernst Schmidt (“Karl”) – Independent Non-Executive Director

Karl is a chartered accountant and joined the board of Motseng on 20 September 2010 as an independent non-executive director.

He is a member of the audit and risk committee of Delta.

Until 2009, Karl had served at Deloitte & Touche (“Deloitte”) for more than three decades, including 25 years as a partner in the audit division and as partner in charge for the KwaZulu-Natal region from 2000 to 2002.

During his time at Deloitte, Karl handled the audit responsibilities for several JSE-listed clients. When the new JSE and Independent Regulatory Board for Auditors (IRBA) regulations were introduced in 2006/2007, Karl was one of the first of a small number of JSE accredited auditors at Deloitte’s in KwaZulu-Natal.

In addition to his audit responsibilities, Karl’s other focus was on business development opportunities arising from the Empowerment Charters and the transforming business community in KwaZulu-Natal.

Karl was previously a director at KAP International Holdings Limited (“KAP”) during which time he also served as the Chairman of KAP’s audit committee.

Karl also serves on the Council of the University of KwaZulu-Natal.

Paul David Simpson ("Paul") – Independent Non-Executive Director

Paul has a wealth of experience and a comprehensive track record of delivering sustainable, profitable growth in the retail and property sectors.

Paul has had close involvement in providing architectural input on 300 new shopping centres across South Africa, Africa and the Middle East, working with top developers. Paul's experience ranges from major tenant input through to mall plan design of large regional centres such as Clearwater Mall, Maponya Mall and Irene Mall.

He has served as the construction director of Group Five Building Proprietary Limited in the Western Cape, prior to which he held roles as contracts' manager at EBC Group plc in the United Kingdom and Mark Amy Limited in Jersey. He subsequently spent nearly two decades at Woolworths Limited, heading up the real estate division.

Being a former president of South African Council of Shopping Centres, founding director of the Green Building Council of South Africa and a member of the Commercial Board of the Bureau for Economic Research, Paul brings a vast amount of expertise to the board.

Between 1972 and 1975 Paul completed his degree at the Liverpool Polytechnic School of Architecture in the United Kingdom.

12.3 Directors' emoluments

It is not envisaged that the board will be restructured upon implementation of the scheme. It is not anticipated that the emoluments of the directors of the company will be affected as a result of the scheme.

12.4 Interests of directors of Delta in Delta linked units

As at 28 February 2014, the directors of Delta held, directly and indirectly, beneficial interests in 36 753 059 Delta linked units, representing c. 8.56% of Delta's linked unit capital in issue, as set out below:

Director	Beneficial		Total number of Delta linked units	Percentage holding ⁽¹⁾ (%)
	Direct	Indirect		
JB Magwaza	1 965 820		1 965 820	0.46
SH Nomvete		18 238 337	18 238 337	4.25
BA Corbett	50 957	4 339 480	4 390 437	1.02
IN Mkhari		12 158 465	12 158 465	2.83
Total	2 016 777	34 736 282	36 753 059	8.56

Note 1: Based on 429 510 825 Delta linked units in issue.

There have been no changes to interests of directors of Delta in Delta linked units between 28 February 2014 and the last practicable date, save for:

Director	Detail	Extent of interest	Share price (cents)	Volume	Total (Rand)
PD Simpson	Purchase	Direct	797	24 000	191 280
IN Mkhari	Disposal	Indirect	774	900 000	6 966 000
SH Nomvete	Purchase	Indirect	774	643 702	4 982 253
BA Corbett	Purchase	Indirect	774	152 149	1 177 633
JB Magwaza	Purchase	Direct	774	69 381	537 009

13. AGREEMENTS IN RELATION TO THE SCHEME

No agreements exist between the company and any Delta linked unitholders which could be considered material to the decision regarding the scheme to be taken by the Delta debenture holders.

No agreements have been entered into between the company and any of the directors of the company or Delta linked unitholders in relation to the scheme.

14. MAJOR LINKED UNITHOLDERS

As at the last practicable date the following Delta Linked unitholders beneficially held more than 5% of Delta's linked unitholding in issue:

Delta linked unitholder	Number of Delta linked units held	% of Delta linked units held ⁽¹⁾
Coronation Asset Managers Proprietary Limited	92 911 922	20.60
Stanlib Asset Management Limited	80 178 736	17.78
Government Employees Pension Fund represented by Public Investment Corporation SOC Limited	65 342 494	14.49
Sanlam Investment Management Limited	23 159 021	5.13
Total	261 592 173	58.00

Note 1: Based on 451 042 442 Delta linked units in issue.

15. RELATED AND CONCERT PARTIES

There are no related party relationships that arise as a result of the delinking of the Delta linked units, the cancellation of the debentures and as a result of the scheme.

16. MATERIAL CHANGE STATEMENT

There are no material changes to the financial or trading position of the Delta Group subsequent to the latest published financial statements for the 12 months ended 28 February 2014.

17. LITIGATION STATEMENT

To the best of their knowledge and belief, the directors of Delta, whose names are on page 16 of this circular, are not aware of any legal or arbitration proceedings, including any such proceedings that are pending or threatened, that have or may have had in the previous 12 months, a material effect on the Delta Group's financial position.

18. GOVERNING LAW

This circular will be governed by and construed in accordance with the laws of South Africa and shall be subject to the exclusive jurisdiction of the South African Courts.

19. REPORT OF THE INDEPENDENT EXPERT

The board has appointed the independent expert, in accordance with section 114 (2) of the Companies Act, to provide an independent professional expert's opinion regarding the scheme, and to make appropriate recommendations to the Delta board in the form of a fair and reasonable opinion.

The independent expert has considered the terms and conditions of the scheme and is of the opinion that the terms and conditions are fair and reasonable to Delta debenture holders.

Delta linked unitholders are referred to Annexure A of this circular which sets out the full text of the report of the independent expert regarding the scheme, prepared in accordance with section 114(3) of the Companies Act.

20. VIEWS OF THE BOARD

None of the directors have any conflict of interests in relation to the scheme and all directors are able to make impartial decisions in relation thereto. Accordingly, all directors are considered to be independent as defined under Regulation 81 of the Takeover Regulations.

The board, after due consideration of the terms and conditions of the scheme, is in favour of the scheme and recommends that Delta linked unitholders vote in favour of the resolutions set out in the notice of the general meeting of Delta debenture holders and the notice of the general meeting of Delta shareholders, to implement the transaction.

The directors of the company who hold Delta linked units intend to vote in favour of the resolutions set out in the notice of the general meeting of Delta debenture holders and the notice of the general meeting of Delta shareholders, to implement the transaction.

21. DELTA'S RESPONSIBILITY STATEMENT

The board, collectively and individually, accept full responsibility for the accuracy of information given and certify that to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this circular contains all information required by law.

22. CONSENTS

Nedbank Capital, Grant Thornton, Cliffe Dekker, Maitland and Computershare have provided their written consents to act in the capacities stated and to their names being used in the circular and, where applicable, to the inclusion of their reports in the form and context in which they are reproduced in this circular and have not withdrawn their consents prior to the posting of this circular.

23. COSTS

The expenses incurred by Delta relating to the scheme are estimated at approximately R1 419 786 and comprise:

Description	R (excluding VAT)
Corporate advisor and transactional sponsor fees payable to Nedbank Capital	1 050 000
Independent expert's fees payable to Grant Thornton	60 000
JSE documentation fees	9 786
TRP documentation fees	150 000
Printing, publication, distribution and advertising costs payable to Ince Proprietary Limited	150 000
Total	1 419 786

24. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Delta during normal business hours from the date of issue of this circular, being Wednesday, 27 August 2014 up to including the date of the general meetings, being Thursday, 2 October 2014:

- the MOI;
- the debenture trust deed;
- the written consent of the trustees of the debenture trust deed to the cancellation thereof on approval of the scheme;
- the letter issued by the Takeover Regulations Panel approving the circular in terms of Regulation 117 of the Takeover Regulations;
- the independent expert's opinion referred to paragraph 19 of this circular;
- the audited financial statements of the company for the years ended 28 February 2013 and 28 February 2014;
- the consent letters referred to paragraph 22; and
- a signed copy of this circular.

Signed for and on behalf of the board in terms of the power of attorney granted on 20 August 2014.

SH Nomvete

25 August 2014

INDEPENDENT EXPERTS' OPINION

The Directors
Delta Property Fund Limited
Silver Stream Office Park
10 Muswell Road South
Bryanston
Johannesburg
2191

18 August 2014

Dear Sirs,

INDEPENDENT EXPERT REPORT TO THE DIRECTORS OF DELTA PROPERTY FUND ("DELTA" OR "THE COMPANY") IN TERMS OF SECTION 114(3) AND REGULATION 110(1) OF THE COMPANIES ACT 71 OF 2008 IN RESPECT OF DELTA'S PROPOSED SCHEME OF ARRANGEMENT PURSUANT TO WHICH DELTA'S EXISTING CAPITAL STRUCTURE (COMPRISING A SHARE LINKED TO A DEBENTURE) WILL BE RESTRUCTURED TO COMPRISE EXCLUSIVELY OF SHARE CAPITAL

1. INTRODUCTION

Grant Thornton Advisory Services (Pty) Ltd ("Grant Thornton") has been appointed as the independent expert with regard to the report to the directors of Delta in terms of section 114(3) and regulation 110(1) of the Companies Act, 2008 (Act 71 of 2008) (the "Companies Act"). Delta proposes implementing a scheme of arrangement in terms of sections 114 and 115 of the Companies Act, between Delta and its debenture holders, in terms of which the board proposes converting the company's current linked unit capital structure to an all share structure (the "capital conversion" or "the scheme").

Delta's current capital structure comprises linked units each constituted by one ordinary par value share indivisibly linked to a debenture with a face value of R1.15 (a "Linked Unit" or collectively "Linked Units"). Following the capital conversion, the capital structure of Delta will consist solely of equity capital with the number of no par value shares in issue being equal to the number of Linked Units in issue immediately before the capital conversion.

Full details of the capital conversion are contained in the circular to Linked Unitholders ("the Circular") to be dated on or about 26 August 2014, which will include a copy of this letter.

2. CONVERSION PROCESS – PRINCIPAL STEPS AND SCHEME STRUCTURE

The conversion of Delta's Linked Unit capital structure to an all share capital structure will be effected by way of the following principal steps, namely:

- the amendment of the debenture trust deed to enable and to give effect to the change in Delta's capital structure and the cancellation of the debentures;
- the delinking of each ordinary share from a debenture so as to no longer constitute a linked unit;
- the cancellation of each debenture, for no consideration, to be effected by way of a scheme of arrangement in terms of section 114(1)(c) of the Companies Act;
- the capitalisation of the issue price of each debenture to form part of Delta's stated capital attributable to the ordinary shares from an accounting perspective;
- the termination of the debenture trust deed; and
- amendment of Delta's MOI.

3. SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information obtained from Delta's management and from various public, financial and industry sources. Our conclusion is dependent on such information being accurate in all material respects. For the purpose of compiling this report and the opinion contained herein, we have considered all information relevant to the value of the securities affected by the scheme.

The principal sources of information used in formulating our opinion regarding the capital conversion include:

- information and assumptions made available by and from discussions held with the board of directors of Delta ("the Board") and management of Delta;
- annual results of Delta for the period ended 28 February 2014;
- the Debenture Trust Deed between Delta and the debenture trustee;
- Delta's Memorandum of Incorporation ("MOI"); and
- the terms and conditions of the scheme and related capital conversion (as detailed in the Circular).

Where practical, we have verified the reasonability of the information provided to us for the purpose of our opinion, including publicly available information, whether in writing or obtained in discussions with management and the Board.

4. EFFECT OF CONVERSION PROCESS TO ALL LINKED UNITHOLDERS

The effect of the conversion process will be that former Linked Unitholders will retain the same shares as part of the Linked Unit but the debenture component of the Linked Unit will be cancelled and the company's stated capital attributable to the ordinary shares will be increased by the same amount as the issue price of the cancelled debentures from an accounting perspective.

The type and class of security holder affected by the transaction are Delta's debenture holders who currently hold 451 042 442 variable rate debentures of R1.15 each, linked to 451 042 442 ordinary shares of no par value, forming 451 042 442 Linked Units.

Recognising that the issue price of the debentures will be capitalised to the Company's stated capital account attributable to the ordinary shares from an accounting perspective and that the former Linked Unitholders will continue to hold the same number of ordinary shares in Delta as held immediately prior to the restructuring (but with the ordinary shares being backed by a larger pool of stated capital) the capitalisation of the issue price of the debentures to the stated capital account attributable to the ordinary shares from an accounting perspective does in our view constitute adequate compensation for the cancellation of the debentures.

Having analysed the effects of the arrangement, we have concluded that there will be no adverse effects which the capital conversion will have on the economic or voting rights and interests of debenture holders. The only material difference is that the former Linked Unitholder's position on implementation of the capital conversion will be the absence of the debenture and the ability of the Company to issue shares and for shares to be sold or otherwise disposed of without the debenture element.

In terms of the Debenture Trust Deed and supplements thereto, "Subject to clause 8.1.2, each debenture in issue on a record date shall confer on the holder thereof the right to receive interest in respect of the income period concerned (unless otherwise agreed between the Company and the relevant Debenture Holder/s) which interest shall:

- be paid by no later than 3 (three) months after the designated date in question, or to the extent that the debentures are listed on the JSE or on any other exchange, such shorter period prescribed in terms of the JSE Listings Requirements or the regulations applicable to any other exchange on which the debentures are listed; and
- be an amount per Debenture determined in accordance with the following formula:

$$I = [99\% \times \text{PBT} - T]/D$$

Where:

I = the aggregated amount of interest payable for the income period concerned;

PBT = the profits of the company before taxation and before distributions to Linked Unitholders determined in accordance with the applicable accounting standards (to which will be added and pre-requisition income to which the Company became entitled to in respect of acquisitions effected by the Company, which has been accounted for as an adjustment to the purchase price thereof) and then adjusted to eliminate capital profits and capital losses and to reverse all non-cash items (other than accruals for short-term receivables and payables) brought to account in the determination of PBT, which non-cash items may include,

- the straight-lining of leases;
- the revaluation of any unrealised property or other investments;
- fair value adjustments to issued Linked Units,
- the write-off, amortisation or impairment of any intangible asset including goodwill; and
- fair value adjustments for interest rate derivatives;

T = any taxation (save for deferred taxation) relating to the income period concerned (including dividends tax pursuant to a distribution in specie), but excluding any normal taxation in respect of capital profits or losses, non-cash items eliminated from PBT for purposes of the above formula, and any PBT not distributed as I; and

D = the total number of debentures in issue on the Record Date in question.

In the event of the directors being in any doubt as regards the determination of the distributable earnings for the income period in question, the directors shall refer the matter to an appropriate independent advisor appointed by the board, acting as expert and not as arbitrator, whose decision shall be final and binding, in the absence of manifest error, on the board. In the event of a dispute as to the appropriateness of the advisor, the chairman of the board shall determine the advisor."

The proposed MOI does not specifically create any right to distribution calculated on the aforementioned formula. We have assumed based on our discussions with the directors of Delta, that distributions in accordance with the aforementioned formula, in all material respects, will continue to be paid to shareholders.

The scheme will not result in any change in the number of the company's listed securities. The effect of the scheme is that the company will retain the same number of listed securities but that those listed securities will comprise exclusively shares as opposed to Linked Units.

The scheme is not anticipated to have any material adverse effects on the business and prospects of Delta.

As at 28 February 2014, the directors of Delta held, directly and indirectly, beneficial interests in 36 753 059 Delta linked units, representing 8.6% of Delta's linked unit capital in issue, as set out below:

Director	Beneficial		Total number of Delta linked units	Percentage holding (%)
	Direct	Indirect		
JB Magwaza	1 965 820		1 965 820	0.46
SH Nomvete		18 238 337	18 238 337	4.25
BA Corbett	50 957	4 339 480	4 390 437	1.02
IN Mkhari		12 158 465	12 158 465	2.83
Total	2 016 777	34 736 282	36 753 059	8.56

There have been no changes to interests of directors of Delta in Delta linked units between 28 February 2014 and the last practicable dates save for:

Director	Detail	Extent of interest	Share price (cents)	Volume	Total (Rand)
PD Simpson	Purchase	Direct	797	24 000	191 280
IN Mkhari	Disposal	Indirect	774	900 000	6 966 000
SH Nomvete	Purchase	Indirect	774	643 702	4 982 253
BA Corbett	Purchase	Indirect	774	152 149	1 177 633
JB Magwaza	Purchase	Direct	774	69 381	537 009

None of the directors have any conflict of interests in relation to the scheme and all directors are able to make impartial decisions in relation thereto. Accordingly, all directors are considered to be independent as defined under Regulation 81 of the Takeover Regulations.

The board, after due consideration of the terms and conditions of the scheme, is in favour of the scheme and recommends that Delta linked unitholders vote in favour of the resolutions set out in the notice of the general meeting of Delta debenture holders and the notice of the general meeting of Delta shareholders, to implement the transaction.

The directors of the company who hold Delta linked units intend to vote in favour of the resolutions set out in the notice of the general meeting of Delta debenture holders and the notice of the general meeting of Delta shareholders, to implement the transaction.

The capital conversion will not affect the interests of any of the directors different from the effect which the capital conversion will have on all security holders in the company.

Recognising that there is no third party offer consideration against which the value of the Delta linked units may be compared and that the consideration under the scheme is confined to the issue price of the debentures which is to be capitalised to Delta's stated capital account, this report does not set out a range of valuation of Delta linked units as such a valuation range is not relevant in the determination of whether to approve the scheme or not.

5. LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained in discussion with the management and advisors of Delta. We express no opinion on this information.

There were no limiting conditions, or any restrictions of scope imposed by Delta on us whilst this report was being prepared.

This letter and opinion is provided solely for the benefit of Delta Board for the sole purpose of assisting the Delta Board for purposes of considering the implications of the scheme for the benefit of all stakeholders.

There is no relationship between Grant Thornton and any other parties involved in this capital conversion. Grant Thornton has no Linked Units in Delta or any other party involved in the capital conversion. Grant Thornton's fee in respect of this report is R60 000 excluding VAT and is not payable in Linked Units or delinked ordinary shares and is not contingent or related to the outcome of the capital conversion.

Grant Thornton has no conflict of interest in relation to the scheme and is able to make impartial decisions in relation thereto without fear or favour. Grant Thornton has all the necessary competencies for this appointment. An internal review and quality control process exists at Grant Thornton that ensured that someone other than the senior person responsible for the assignment reviewed the final report.

Each Linked Unitholder's individual decision may be influenced by such Linked Unitholder's particular circumstances. Our opinion does not purport to cater for each Linked Unitholder's circumstances, but rather the general body of Linked Unitholders taken as a whole. Should a Linked Unitholder be in any doubt as to what action to take, he or she should consult an independent advisor.

6. OPINION

Our opinion is based on current economic, regulatory, market as well as other conditions as at the date of the capital conversion. Subsequent developments may affect this opinion, which we are under no obligation to update, review or re-affirm.

In forming our opinion, we have assumed that the company will continue with its current distribution policy with the intention of ensuring that Linked Unitholders (or shareholders as they will be post implementation of the scheme) receive a distribution equivalent to what they would have received had the scheme not been implemented even though this right to income distributions will not be entrenched in the new MOI as it was in the Debenture Trust Deed.

We have considered the terms and conditions of the scheme, and based upon and subject to the assumptions and conditions set out above, we are of the opinion that the scheme is fair and reasonable to Delta Linked Unitholders and, in particular to the holders of the debentures which are to be cancelled pursuant to the scheme.

7. CONSENT

We hereby consent to the inclusion of this letter and references thereto, in the form and context in which they appear in the Circular.

APPENDIX A

115. Required approval for transactions contemplated in Part

- (1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
 - (a) The disposal, amalgamation or merger, or scheme of arrangement:
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter, and the Takeover Regulations, apply to a company that proposes to:
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement,the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).

[Para. (b) substituted by s. 71 of Act 3/2011]
- (2) A proposed transaction contemplated in subsection (1) must be approved:
 - (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and

[Para. (a) substituted by s. 71 of Act 3/2011]
 - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if:
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and

[Subpara. (iii) substituted by s. 71 of Act 3/2011]
 - (c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if:
 - (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or

[Para. (a) substituted by s. 71 of Act 3/2011]
 - (b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).

[Para. (b) substituted by s. 71 of Act 3/2011]

- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights:
- (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- [Subs. (4) substituted by s. 71 of Act 3/2011]
- (4A) In subsection (4), "act in concert" has the meaning set out in section 117(1)(b).
- [Subs. (4A) inserted by s. 71 of Act 3/2011]
- (5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either:
- (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
- [Para. (a) substituted by s. 71 of Act 3/2011]
- (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant:
- (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if:
- (a) the resolution is manifestly unfair to any class of holders of the company's securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person:
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect:
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

164. Dissenting shareholders' appraisal rights

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

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

 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.
- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
 - (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or

- (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
[Para. (c) substituted by s. 103 of Act 3/2011]
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholders' rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of:
 - (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11):
 - (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12):
 - (a) the shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and:
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:
 - (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14):
 - (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) the court:
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);
 - (iii) in its discretion may:
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;

- (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and
 - (v) must make an order requiring:
 - (aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and
[Item (aa) substituted by s. 103 of Act 3/2011]
 - (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.
- (15A) At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case:
- (a) that shareholder must comply with the requirements of subsection 13(a); and
 - (b) the company must comply with the requirements of subsection 13(b).
- [Subs. (15A) inserted by s. 103 of Act 3/2011]
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:
- (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:
- (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent:
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case, a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.
- [Subs. (20) inserted by s. 103 of Act 3/2011]

THE MOI AMENDMENTS

The following definitions have either been inserted, deleted or amended:

- Clause 1.1.9, a definition of the Financial Markets Act, No 19 of 2012 has been inserted, as the Securities Services Act has been repealed and replaced with the Financial Markets Act. Furthermore, any definition that relied on the Securities Services Act has been amended to reflect the Financial Markets Act (these clauses being – 1.1.5 (definition of Central Securities Depository), 1.1.13 (definition of the JSE), 1.1.15 (definition of a Participant) and 1.1.29 (definition of Uncertificated Securities)).
- The definition of “Debenture” has been deleted.
- The definition of “Debenture Trust Deed” has been deleted.
- The definition of “Gross Income” in terms of the Income Tax Act, No 58 of 1962 has been inserted and is defined as “having the meaning ascribed thereto in section 1 of the Income Tax Act”.
- A definition referring to the Income Tax Act, No 58 of 1962 has been inserted.
- The definition of “Linked Unit” has been deleted.
- A definition of “REIT” has been inserted, and is defined “as having the meaning ascribed thereto in section 1 of the Income Tax Act.”
- A definition of “Rental Income” has been inserted and is defined as meaning “rental income as defined in section 25BB of the Income Tax Act”.
- The definition of “Securities” has been amended, to make reference to the Financial Markets Act, by the insertion of “anything falling within the meaning of “securities” as set out in section 1 of the Financial Markets Act, and includes shares held in a private company”.
- The definition of “Securities Services Act” has been deleted, as the Securities Services Act has been repealed and replaced by the Financial Markets Act.
- The definition of “Share” has been amended, by inserting “and “Shares” means more than one Share”.
- The definition of “Trading Day” has been amended by replacing the reference to “Linked Units” with “Shares”.
- The definition of “VWAP” has been deleted.
- A definition of “Year of Assessment” has been inserted and defines “Year of Assessment” as having “the meaning ascribed thereto in section 1 of the Income Tax Act”.

Clause 2 – Juristic Personality

- Clause 2 has been amended by inserting clause 2.1.3, which states (as a sub of clause 2.1) that the company is incorporated in accordance with and governed by the JSE Listings Requirements.
- Clause 2.2 has been inserted and states that the Company’s Shares are listed on a Stock Exchange operated by the JSE.

Clause 4 – Powers of the Company and Special Conditions

- Clause 4 has been amended by inserting clause 4.1, which deals with the manner in which the Company must conduct its business and states that the Company must conduct its business, at all times, in a manner that complies with the provisions of section 25BB of the Income Tax Act and the requirements set by the JSE, for the Company to qualify as a REIT. Furthermore, the clause provides that, for so long as the REIT requirements contemplated in the Income Tax Act and the JSE Listings Requirements are in existence, a special resolution approved by a majority of 90% of the Shareholders present and voting, is required in order to amend the special condition referred to in clause 4.1.
- Clause 4.2 has been inserted, and makes the powers of the Company in clause 4.2 subject to clause 4.1, in that the Company has all legal powers and capacity contemplated in the Act (Companies Act).

Clause 5 – Issue of Shares and Variation of Rights

- Clause 5.2 has been amended, by inserting, at the end of the clause “and in accordance with the JSE Listings Requirements”.
- Clause 5.3 has been deleted in its entirety. The Company will no longer have a Linked Unit capital structure after the scheme, but a capital structure comprising of ordinary shares only.
- Clause 5.10 (old clause 5.11) has been amended by deleting the reference to “Linked Units”.
- Clause 5.13 has been deleted.

Clause 6 – Shares

- Clause 6.2 has been deleted.

Clause 8 – Transfer of Securities

- Clause 8.3 has been amended by the deletion of the words “and particularly to the provisions of clause 8.9”.
- Clause 8.9 has been deleted.

Clause 12 – Debt Instruments

- Clause 12.3 has been deleted.

Clause 13 – Capitalisation Shares

- Clause 13.1 has been amended by inserting “subject to clauses 5.8 and 5.11” and “in accordance with the provisions of section 47” and by deleting the word “not”. These amendments have not altered the meaning of the clause, the amendments were necessary as the Company was prohibited from issuing capitalisation shares in terms of section 47 of the Act, for so long as the Linked Units remained Linked. The capital structure of the company has been amended as a part of acquiring REIT status and the Linked Units will be delinked into their constituent parts, being a debenture (which will be cancelled) and an ordinary share of no par value.
- Clauses 13.1.3.1 and 13.1.3.2 have been deleted.

Clause 18 – Record Date

- Clause 18.1 has been amended in the last paragraph by correcting a typographical error being the word “provided” and by inserting the words “for so” and deleting the word “as”.

Clause 19 – Shareholders’ Meetings

- Clause 19.9 (old clause 19.10) has been amended by correcting a typographical error; the clause refers to three directors in figures, but to two directors in words. It has been amended to refer to three directors in both figures and words.

Clause 23 – Shareholders’ Resolutions

- Clause 23.2 has been amended by inserting “Subject to clause 4.1 and clause 34.1”. This has been inserted as the matters dealt with in the above clauses are required to be approved by a majority of at least 90% of Shareholders present and voting, to accept the resolution to amend clauses 4.1 and 34.1 as they deal with the REIT regime as contemplated in the JSE Listings Requirements and the Income Tax Act and require a higher threshold to be approved.

Clause 24 – Shareholders’ Acting Other than at a Meeting

- Clause 24.3 has been deleted as this clause is specifically prohibited by Schedule 10 of the JSE Listings Requirements.
- Clause 24.5 has been amended by inserting “JSE” before the words “Listings Requirements” to bring the definition in line with the definition contained in clause 1 and by inserting “or to any annual general meeting of the Company”.

Clause 30 – Borrowing powers

- Clause 30.1 has been amended by deleting “and to the extent applicable, the Debenture Trust Deed”.
- Clause 30.1.2 has been amended by deleting “debentures”.
- Clause 30.1.3 has been deleted.
- Clause 30.2 has been deleted.

Clause 32 – Annual Financial Statements

- Clause 32.6.1 has been amended by inserting “the JSE Listings Requirements”.

Clause 34 – Conduct of Business and Gross Income

- This clause has been inserted. Clause 34.1 provides that the Company must conduct its business in such a way that at least 75% of the Gross Income which it receives or is accrued by it, in the Year of Assessment, will consist of Rental Income.
- Clause 34.2 provides that clause 34.1 can only be amended by a special resolution approved by a 90% majority of the Shareholders present and voting, for so long as the REIT regime, as contemplated in the JSE Listings Requirements and the Income Tax Act, is in existence.

Clause 37 – Payment of Commission (old clause 36)

- Clause 37.1 (old clause 36.1) has been amended by deleting "(or a Linked Unit where the Share forms part of a Linked Unit)".
- Clause 37.3 (old clause 36.3) has been amended by deleting "or Linked Units".

Clause 41 – Adoption

- This provision has been given a clause heading and has been amended by inserting "as amended in terms of a special resolution passed on 18 September 2012 and 2 October 2014".

 TRADING HISTORY OF DELTA LINKED UNITS

	Close (cents)	High (cents)	Low (cents)	Volume	Value (Rand)
Quarterly					
31 March 2013	830	885	820	11 829 506	98 919 131
30 June 2013	870	1 000	815	29 024 180	253 594 686
30 September 2013	900	910	770	26 628 100	225 912 815
31 December 2013	865	945	760	26 970 212	241 510 426
31 March 2014	845	880	770	32 913 702	269 983 216
30 June 2014	785	865	735	16 819 491	135 628 828
Monthly					
31 August 2013	830	860	770	7 891 232	64 115 346
30 September 2013	900	910	810	15 399 857	132 948 832
31 October 2013	935	935	870	10 562 114	95 586 681
30 November 2013	870	945	850	9 875 207	90 396 993
31 December 2013	865	880	760	6 532 891	55 526 752
31 January 2014	804	875	770	13 872 573	115 174 613
28 February 2014	790	880	790	9 745 314	79 641 944
31 March 2014	845	868	790	9 295 815	75 166 659
30 April 2014	850	859	805	5 923 807	48 883 548
31 May 2014	786	865	735	4 892 261	40 384 852
30 June 2014	785	800	738	6 003 423	46 360 428
31 July 2014	799	820	772	10 046 033	80 089 008
Daily					
8 July 2014	800	805	795	3 294 174	26 353 144
9 July 2014	805	810	800	829 373	6 635 676
10 July 2014	791	805	791	230 082	1 841 116
11 July 2014	805	805	805	910	7 326
14 July 2014	810	810	800	130 791	1 050 033
15 July 2014	810	810	805	240 400	1 935 892
16 July 2014	810	810	809	25 441	205 888
17 July 2014	805	810	805	203 059	1 643 781
18 July 2014	805	810	805	177 389	1 428 072
21 July 2014	800	805	800	31 376	251 051
22 July 2014	785	800	785	68 262	546 066
23 July 2014	810	810	790	59 064	471 912
24 July 2014	810	810	810	315 764	2 557 688
25 July 2014	810	820	810	70 400	572 380
28 July 2014	801	810	801	25 753	206 344
29 July 2014	795	820	795	416 331	3 326 126
30 July 2014	800	800	795	19 488	155 756
31 July 2014	799	800	780	141 303	1 129 460
1 August 2014	796	799	795	388 506	3 092 912
4 August 2014	780	791	780	27 731	217 852
5 August 2014	785	790	780	50 327	394 077
6 August 2014	792	795	785	303 888	2 405 375
7 August 2014	792	792	792	2 227	17 638

	Close (cents)	High (cents)	Low (cents)	Volume	Value (Rand)
8 August 2014	800	800	790	35 410	280 104
11 August 2014	800	800	785	251 916	2 011 454
12 August 2014	795	800	785	381 808	3 039 462
13 August 2014	785	800	780	159 047	1 263 511
14 August 2014	795	800	795	76 639	612 650
15 August 2014	806	806	795	185 323	1 480 985
18 August 2014	800	810	800	1 534 175	12 324 680



Delta Property Fund Limited

(Incorporated in the Republic of South Africa)

(Registration number 2002/005129/06)

JSE share code: DLT ISIN: ZAE000172052

NOTICE OF GENERAL MEETING OF DELTA DEBENTURE HOLDERS

Introduction

All terms defined in the circular to which this notice of the general meeting of Delta debenture holders is attached shall bear the same meanings herein.

The resolutions to approve the scheme and the transaction are required to be approved by Delta debenture holders and Delta shareholders. In view of the capital structure of Delta, which comprises linked units, all Delta linked unitholders are both Delta shareholders and Delta debenture holders. Both the notice of general meeting of Delta debenture holders ("**this Notice**") and the notice of general meeting of Delta shareholders are applicable to each and every Delta linked unitholder.

All the resolutions to approve the transaction which are required to be passed by the Delta debenture holders and the Delta shareholders, are conditional upon one another, and will only be of force and effect if all such resolutions are passed.

Notice of general meeting of Delta debenture holders

Notice is hereby given that a general meeting of the Delta debenture holders will be held at 12:00 on Thursday, 2 October 2014, at the registered office of the company at Silver Stream Office Park, 10 Muswell Road South, Bryanston, 2021.

The record date on which Delta debenture holders must be recorded as such in the securities register maintained by the transfer secretaries for the purposes of being entitled to attend and vote at the general meeting of Delta debenture holders is Friday, 26 September 2014. Accordingly, the last day to trade to be eligible to attend and vote at the general meeting is Thursday, 18 September 2014.

In terms of section 63(1) of the Companies Act any person attending or participating in a meeting of Delta debenture holders must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as Delta debenture holder or as proxy for a Delta debenture holder) has been reasonably verified. Accordingly, all Delta debenture holders will be required to provide identification reasonably satisfactory to the chairman of the general meeting of Delta debenture holders in order to participate in and vote at the general meeting of Delta debenture holders.

The purpose of the meeting is to transact the business set out below, and to consider and, if deemed fit, to pass, with or without modification, the resolutions set out below.

In respect of all the resolutions to be passed at the meeting relating to the scheme, Delta debenture holders have the rights under section 164 of the Companies Act, a copy of which is annexed to Annexure A to the circular.

SPECIAL RESOLUTION NUMBER 1: Amendment of the debenture trust deed

"RESOLVED THAT, in order to make provision for, and to facilitate the delinking of the Delta debentures from the Delta no par value shares, the cancellation of the Delta debentures for no consideration, the capitalisation of the issue price of each Delta debenture to Delta's stated capital attributable to the ordinary shares from an accounting perspective and the increase of the contributed tax capital attributable to the ordinary shares of Delta by the issue price of each cancelled debenture, the debenture trust deed is amended in terms of clause 40.2.2 (it being recorded that the prior written consent of Delta to the amendment has been obtained in terms of clause 40.2), by inserting the following clause after clause 44 of the debenture trust deed:

"45 DELINKING, CANCELLATION AND CAPITALISATION

Subject to a Debenture Special Resolution, the Company may:

- 45.1 delink the Ordinary Shares and the Debentures for the purpose of the cancellation and subsequent capitalisation as contemplated in 45.2 and 45.3;*
- 45.2 subsequent to the delinking as contemplated in 45.1, cancel the Debentures and terminate the Deed, without payment to the Debenture Holders; and*
- 45.3 subsequent to the delinking and cancellation as contemplated in 45.1 and 45.2, capitalise the issue price of the Debentures from an accounting perspective for the purposes of financial reporting in accordance with IFRS to the Company's stated capital account attributable to the ordinary shares and to increase the contributed tax capital attributable to the ordinary shares by the issue price of the Debentures."*

SPECIAL RESOLUTION NUMBER 2: Delinking of the Delta no par value shares and Delta debentures

"RESOLVED THAT, following and subject to the passing of special resolution number 1 and in order to facilitate the cancellation of the Delta debentures, the capitalisation of the issue price of the debentures to Delta's stated capital attributable to the ordinary shares from an accounting perspective for the purposes of financial reporting in accordance with IFRS the increase of the contributed tax capital attributable to the ordinary shares of Delta by the issue price of the Delta debentures, the delinking of Delta no par value shares and Delta debentures comprising the Delta linked units in issue, be and is hereby approved."

SPECIAL RESOLUTION NUMBER 3: Cancellation of the Delta debentures and the termination of the debenture trust deed

"RESOLVED THAT, in accordance with the provisions of section 114(1)(c) of the Companies Act, and pursuant to section 25BB(8) of the Income Tax Act, following and subject to the passing of special resolution numbers 1 and 2, and with effect immediately after the MOI amendments are filed with the Companies and Intellectual Property Commission in terms of section 16(9)(b)(i), the Delta debentures be cancelled, without payment to Delta debenture holders and the debenture trust deed be terminated."

SPECIAL RESOLUTION NUMBER 4: Capitalisation of Delta debentures to form part of Delta's stated capital account

"RESOLVED THAT, subject to the passing of special resolution numbers 1, 2 and 3, and with effect immediately after special resolution number 3 takes effect, the issue price of each debenture as reflected in the books of account of Delta, be capitalised to form part of Delta's stated capital account attributable to the ordinary shares from an accounting perspective for the purposes of financial reporting in accordance with IFRS, as contemplated in section 25BB(8) of the Income Tax Act."

Reason and effect

The reason for and the effect of special resolution numbers 1, 2, 3 and 4 are to approve the delinking of the Delta no par value shares and Delta debentures which presently comprise Delta linked units and thereafter the cancellation of the Delta debentures, the capitalisation of an amount equal to the issue price of the Delta debentures to stated capital attributable to the ordinary shares from an accounting perspective and the increase of the contributed tax capital attributable to the ordinary shares by the issue price of each cancelled Delta Debenture as contemplated in section 25BB(8) of the Income Tax Act in order to be better aligned with the pre-eminent capital structure of international REITs, the capital structures of which are all equity, to simplify the accounting treatment of Delta's capital structure and to comply with the requirements of the JSE regarding the capital structure of REITs. The delinking of the Delta linked units and the cancellation of the Delta debentures will be tax neutral for Delta and the Delta debenture holders on the basis that the expenditure incurred by each shareholder of an ordinary share will be equal to an amount of the expenditure incurred in respect of the acquisition of each linked unit. The issue price of each cancelled debenture will be added to the contributed tax capital attributable to the ordinary shares of Delta.

ORDINARY RESOLUTION NUMBER 1: General authorising resolution

"RESOLVED THAT any director of Delta be and is hereby authorised to do all such things and sign all such documents as are necessary to give effect to the special resolutions and ordinary resolution proposed and passed at the general meeting of Delta debenture holders at which this ordinary resolution is proposed."

MAJORITY REQUIREMENTS FOR ADOPTION OF THE SPECIAL RESOLUTIONS AND ORDINARY RESOLUTION

In order to be adopted, each of the abovementioned special resolutions must be supported by not less than 75% of the voting rights exercised on such resolutions, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all voting rights that are entitled to be exercised on the special resolutions. In order to be adopted, the ordinary resolution requires more than 50% of the voting rights exercised.

VOTING

Voting will be conducted on every resolution proposed at the general meeting of Delta debenture holders by way of a poll. Every Delta debenture holder shall therefore have that number of votes equal to the number of debentures held by him.

ELECTRONIC PARTICIPATION

The company has made provision for debenture holders or their proxies to participate in (but not vote at) the general meeting by way of telephone conferencing. Should you wish to participate in the scheme meeting by telephone conference call as aforesaid, you, or your proxy, will be required to advise the company thereof by no later than 12:00 on Tuesday, 30 September 2014, by submitting by email to the company secretary at paulanel@pnsc.co.za relevant contact details, including an email address, cellular number and landline as well as full details of the shareholder's title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated linked units) and (in the case of dematerialised linked units) written confirmation from the debenture holder's CSDP confirming the debenture holder's title to the dematerialised linked units.

Upon receipt of the required information, the debenture holder concerned will be provided with a secure code and instructions to access the electronic communication during the general meeting. Debenture holders must note that access to the electronic communication will be at the expense of the debenture holders who wish to utilise the facility.

PROXIES

A Delta debenture holder entitled to attend and vote at the general meeting of Delta debenture holders may appoint one or more persons as its proxy to attend, speak and vote in its stead. A proxy need not be a Delta debenture holder. Delta debenture holders are referred to the attached form of proxy (*blue*) in this regard.

If you are a certificated Delta linked unitholder or a dematerialised Delta linked unitholder with own-name registration and are unable to attend the general meeting of Delta debenture holders and wish to be represented thereat, you must complete and return the attached form of proxy (*blue*) in accordance with the instructions contained therein to be received by the transfer secretaries, Computershare Investor Services Proprietary Limited, at 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than the commencement of the general meeting of Delta debenture holders. If you have dematerialised your Delta linked units with a CSDP or broker, other than with own-name registration, you must arrange with them to provide you with the necessary letter of representation to attend the general meeting of Delta debenture holders or you must instruct them as to how you wish to vote in this regard. This must be done in terms of the agreement entered into between you and the CSDP or broker, in the manner and cut-off time stipulated therein.

The company does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker.

Additional proxy forms are obtainable from Delta's company secretary, the company's website or the transfer secretaries and must be deposited at the transfer secretaries before the commencement of the general meeting of Delta debenture holders.

By order of the board

Delta Property Fund Limited

Silver Stream Office Park
9 Muswell Road South
Bryanston, 2021

27 August 2014

Registered office of transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)



Delta Property Fund Limited

(Incorporated in the Republic of South Africa)
(Registration number 2002/005129/06)

JSE share code: DLT ISIN: ZAE000172052

FORM OF PROXY FOR DELTA DEBENTURE HOLDERS

The definitions and interpretations in the circular to which this form of proxy is attached apply, *mutatis mutandis*, to this form of proxy.

This form of proxy is for the use by Delta debenture holders who hold certificated Delta linked units or who are registered as own-name in dematerialised form only. Delta linked unitholders who have dematerialised their Delta linked units, other than with own-name registration, are requested to refer to the "Action required by Delta linked unitholders" section of the circular to which this form of proxy is attached for a full understanding of the action required by them.

For use by certificated Delta linked unitholders and own-name dematerialised Delta linked unitholders only, at the general meeting of Delta debenture holders to be held at Silver Stream Office Park, 10 Muswell Road South, Bryanston, 2021 on Thursday, 2 October 2014, commencing at 12:00, or at any adjournment thereof.

Any Delta debenture holders entitled to vote at the general meeting of Delta debenture holders may appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a Delta debenture holder.

I/We (full names in BLOCK LETTERS please)

of (address)

Telephone number: ()

Cellphone number:

Email address:

being the debenture holder(s) of

Delta debentures

do hereby appoint (see note 2):

1. of or failing him/her,

2. of or failing him/her,

the chairman of the general meeting of Delta debenture holders, as my/our proxy to act for me/us and on my/our behalf at the general meeting of Delta debenture holders which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the resolutions and/or abstain from voting in respect of the Delta debentures registered in my/our name(s), in accordance with the following instructions (see note 3):

	Number of Delta debentures held		
	For	Against	Abstain
Special resolution number 1 (amendment of the debenture trust deed)			
Special resolution number 2 (delinking of Delta no par value shares and Delta debentures)			
Special resolution number 3 (cancellation of the Delta debentures and termination of the debenture trust deed)			
Special resolution number 4 (capitalisation of the issue price of the Delta debentures from an accounting perspective for the purposes of financial reporting in accordance with IFRS to the Company's stated capital account attributable to the ordinary shares)			
Ordinary resolution number 1 (general authorising resolution)			

***Note:** Please indicate with an "x" or the number of Delta debentures in the spaces above how you wish your votes to be cast. If no indication is given, the proxy will vote or abstain in his/her discretion.

Signed at

on

2014

Signature/s

Name in BLOCK LETTERS (full name if signing in a representative capacity)

Assisted by (where applicable)

A proxy need not be a Delta debenture holder.

A proxy may, subject to the terms of the proxy, delegate his/her authority to act on his/her behalf to another person.

This proxy form will lapse and cease to be of force and effect immediately after the general meeting of the Delta debenture holders and any adjournments thereof, unless it is revoked earlier.

Please read the notes below hereof.

Notes:

1. A Delta debenture holder entitled to attend and vote at the abovementioned meetings is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in his/her stead or abstain from voting. The proxy need not be a member of Delta. A Delta debenture holder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different Delta debentures held by the Delta debenture holder.
2. A proxy may delegate the proxy's authority to act on behalf of the Delta debenture holder to another person.
3. The completion and lodging of this form of proxy will not preclude the relevant Delta debenture holder from attending the general meetings and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Delta debenture holder wish to do so. Accordingly, the appointment of a proxy in terms hereof is suspended at any time and to the extent that the Delta debenture holder chooses to act directly and in person in the exercise of any rights as a Delta debenture holder.
4. A proxy is entitled to exercise, or abstain from exercising, any voting right of the Delta debenture holder without direction, except to the extent that the voting instructions are set out in the relevant section of the proxy forms.
5. The appointment of a proxy shall remain valid until the end of the meeting contemplated in this appointment (including in respect of any adjournment or postponement of the general meeting of Delta debenture holders), unless revoked in the manner contemplated in note 6 below.
6. A Delta debenture holder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy, and (ii) delivering a copy of the revocation instrument to the proxy and to Delta. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Delta debenture holder as of the later of: (i) the date stated in the revocation instrument, if any, or (ii) the date on which the revocation instrument was delivered to Delta.
7. Please insert the number of debentures, as the case may be, in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of Delta debentures, as the case may be, exercisable by you, insert the number of debentures, as the case may be, held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise and compel the chairman, if the chairman is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as he/she deems fit, in respect of all the Delta debenture holder's votes exercisable thereat. A Delta debenture holder or its/his/her proxy is not obliged to use all the votes exercisable by the Delta debenture holder or its/his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the debenture holder or its/his/her proxy.
8. The record date to be entitled to attend, participate in and vote at the general meeting of Delta debenture holders is by close of trading on Friday, 26 September 2014. To be valid, forms of proxy must be completed and returned to the transfer secretaries:

Hand deliveries of forms of proxy to:

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street
Johannesburg, 2001

Postal deliveries of forms to:

Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown, 2107

to be received by no later than the commencement of the general meeting at 12:00 on Thursday, 2 October 2014 (or 24 hours before any adjourned general meeting of Delta debenture holders which date, if necessary, will be notified in the press and on SENS).

9. Any alteration or correction made to this form of proxy must be initialled by the signatory (ies).
10. In the case of a joint holding, the first-named only is required to sign.
11. The authority of a person signing a proxy in a representative capacity must be attached to the form of proxy unless that authority has already been recorded by Delta.
12. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian as applicable, unless the relevant documents establishing capacity are produced or have been registered with the transfer secretaries.
13. If the instrument appointing a proxy or proxies has been delivered to Delta, as long as that appointment remains in effect, any notice that is required by the Companies Act or Delta's MOI to be delivered by Delta to the Delta debenture holder must be delivered by Delta to: (i) the Delta debenture holder, or (ii) the proxy or proxies, if the Delta debenture holder has directed Delta in writing to do so and paid any reasonable fee charged by Delta for doing so.



Delta Property Fund Limited

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(Registration number 2002/005129/06)

JSE share code: DLT ISIN: ZAE000172052

NOTICE OF GENERAL MEETING OF DELTA SHAREHOLDERS

Introduction

All terms defined in the circular to which this notice of general meeting of Delta shareholders is attached shall bear the same meanings herein.

The resolutions to approve the scheme and the transaction are required to be approved by Delta debenture holders and Delta shareholders. In view of the capital structure of Delta, which comprises Delta linked units, all Delta linked unitholders are both Delta shareholders and Delta debenture holders. Both the notice of general meeting of Delta shareholders ("**this Notice**") and the notice of general meeting of Delta debenture holders are applicable to each and every Delta linked unitholder.

All the resolutions to approve the transaction, which are required to be passed by the Delta debenture holders and the Delta shareholders, are conditional upon one another, and will only be of force and effect if all such resolutions are passed.

Notice of general meeting of Delta shareholders

Notice is hereby given that a general meeting of the Delta shareholders will be held at 12:30 on Thursday, 2 October 2014, at Silver Stream Office Park, 10 Muswell Road South, Bryanston, 2021.

The record date on which Delta shareholders must be recorded as such in the securities register maintained by the transfer secretaries of Delta for the purposes of being entitled to attend and vote at the general meeting of Delta shareholders is Friday, 26 September 2014. Accordingly, the last day to trade to be eligible to attend and vote at the general meeting of Delta shareholders is Thursday, 18 September 2014.

In terms of section 63(1) of the Companies Act, any person attending or participating in a meeting of Delta shareholders must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as a Delta shareholder or as proxy for a Delta shareholder) has been reasonably verified. Accordingly, all Delta shareholders will be required to provide identification reasonably satisfactory to the chairman of the general meeting of Delta shareholders in order to participate in and vote at the general meeting of Delta shareholders.

The purpose of the meeting is to transact the business set out below, and to consider and, if deemed fit, to pass, with or without modification, the resolutions set out below.

In respect of all the resolutions to be passed at the meeting relating to the scheme, Delta shareholders have the rights under section 164 of the Companies Act, a copy of which is annexed to Annexure A to the circular.

SPECIAL RESOLUTION NUMBER 1: Delinking of Delta no par value shares and Delta debentures

"RESOLVED THAT, in order to facilitate the cancellation of the Delta debentures and the capitalisation of their issue price to Delta's stated capital attributable to the ordinary shares from an accounting perspective for the purposes of financial reporting in accordance with IFRS the delinking of Delta no par value shares and Delta debentures comprising the Delta linked units in issue, be and is hereby approved."

SPECIAL RESOLUTION NUMBER 2: Cancellation of Delta debentures and the termination of the debenture trust deed

"RESOLVED THAT, in accordance with the provisions of section 114(1)(c) of the Companies Act, and pursuant to section 25BB(8) of the Income Tax Act, following and subject to the passing of special resolution number 4, and with effect immediately after the MOI amendments are filed with the Companies and Intellectual Property Commission in terms of section 16(9)(b)(i) pursuant to special resolution number 4, the Delta debentures are cancelled without payment to Delta debenture holders and the debenture trust deed is terminated."

SPECIAL RESOLUTION NUMBER 3: Capitalisation of Delta debentures to form part of Delta's stated capital account

"RESOLVED THAT, subject to the passing of special resolution number 4, and with effect immediately after special resolution number 4 takes effect, the issue price of each Delta debenture as reflected in the books of account of Delta, be capitalised to Delta's stated capital account attributable to the ordinary shares from an accounting perspective for the purposes of financial reporting in accordance with IFRS, as contemplated in section 25BB(8) of the Income Tax Act."

Reason and effect

The reason for and the effect of special resolution numbers 1, 2 and 3 are to approve the delinking of the Delta no par value shares and Delta debentures which presently comprise Delta linked units and thereafter the cancellation of the Delta debentures, the capitalisation of an amount equal to the issue price of the Delta debentures to the stated capital attributable to the ordinary shares from an accounting perspective and the increase of the contributed tax capital attributable to the ordinary shares by the issue price of each cancelled Delta Debenture as contemplated in section 25BB(8) of the Income Tax Act in order to be better aligned with the pre-eminent capital structure of international REITs, the capital structures of which are all equity, to simplify the accounting treatment of Delta's capital structure and to comply with the requirements of the JSE regarding the capital structure of REITs. The delinking of the Delta linked units and the cancellation of the Delta debentures will be tax neutral for Delta and the Delta debenture holders on the basis that the expenditure incurred by each shareholder of an ordinary share will be equal to an amount of the expenditure incurred in respect of the acquisition of each linked unit. The issue price of each cancelled debenture will be added to the contributed tax capital attributable to the ordinary shares of Delta.

SPECIAL RESOLUTION NUMBER 4: Amendment of Delta's existing MOI

"RESOLVED THAT, in terms of sections 16(1)(c)(i)(aa) and 16(1)(c)(ii) of the Companies Act, and with effect on the date on which the Form CoR 15.2 (Notice of amendment of Memorandum of Incorporation) is filed with the Companies and Intellectual Property Commission, the existing MOI of Delta be amended in the respects set out in Annexure B to the circular."

Reason and effect

The reason for and effect of special resolution number 4 is to amend the MOI of the company to give effect to the various special resolutions which are to be passed at the general meetings and notably, to make provision for compliance by the company with the provisions of section 25BB of the Income Tax Act and the requirements set by the JSE for the company to qualify as a REIT.

Delta shareholders are advised that the Companies Act affords relief to holders of a class of shares where a company's memorandum of incorporation is amended by altering the preferences, rights, limitations or other terms of such class of shares in any manner material and adverse to the rights or interests of the holders thereof, provided that the holders take appropriate action as prescribed in section 37(8) and section 164 of the Companies Act. In order to enable Delta shareholders to make an assessment of whether they consider their rights or interests to be affected as aforesaid, the existing MOI with the proposed amendments marked up is available for inspection at Delta's registered office during normal business hours at any time prior to the commencement of the general meeting of Delta shareholders.

ORDINARY RESOLUTION NUMBER 1: General authorising resolution

"RESOLVED THAT any director of Delta be and he is hereby authorised to do all such things and sign all such documents as are necessary to give effect to the special resolutions and ordinary resolution proposed and passed at the general meeting of Delta shareholders at which this ordinary resolution is proposed."

MAJORITY REQUIREMENTS FOR ADOPTION OF THE SPECIAL RESOLUTIONS AND ORDINARY RESOLUTION

In order to be adopted, each of the abovementioned special resolutions must be supported by not less than 75% of the voting rights exercised on such resolutions, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all voting rights that are entitled to be exercised on the special resolutions. In order to be adopted, the ordinary resolution requires more than 50% of the voting rights exercised.

VOTING

Voting will be conducted on every resolution proposed at the general meeting of Delta shareholders by way of a poll. Every Delta shareholder shall therefore have that number of votes equal to the number of linked units in Delta held by him.

ELECTRONIC PARTICIPATION

The company has made provision for shareholders or their proxies to participate in (but not vote at) the general meeting by way of telephone conferencing. Should you wish to participate in the scheme meeting by telephone conference call as aforesaid, you, or your proxy, will be required to advise the company thereof by no later than 12:00 on Tuesday, 30 September 2014, by submitting by email to the company secretary at paulanel@pnsc.co.za relevant contact details, including an email address, cellular number and landline as well as full details of the shareholder's title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated linked units) and (in the case of dematerialised linked units) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised linked units.

PROXIES

A Delta shareholder entitled to attend and vote at the general meeting of Delta shareholders may appoint one or more persons as its proxy to attend, speak and vote in its stead. A proxy need not be a shareholder of Delta. Delta shareholders are referred to the attached form of proxy (*yellow*) in this regard.

If you are a certificated Delta shareholder or a dematerialised Delta shareholder with own-name registration and are unable to attend the general meeting of Delta shareholders and wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*) in accordance with the instructions contained therein to be received by the transfer secretaries, Computershare Investor Services Proprietary Limited, at 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by not later than 12:30 on Tuesday, 30 September 2014. If you have dematerialised your Delta linked units with a CSDP or broker, other than with own-name registration, you must arrange with them to provide you with the necessary letter of representation to attend the general meeting of Delta shareholders or you must instruct them as to how you wish to vote in this regard. This must be done in terms of the agreement entered into between you and the CSDP or broker, in the manner and cut-off time stipulated therein.

Additional proxy forms are obtainable from Delta's company secretary, the company's website or the transfer secretaries and must be deposited at the transfer secretaries not less than 48 hours before the general meeting of Delta shareholders.

By order of the board

Delta Property Fund Limited

Silver Stream Office Park
9 Muswell Road South
Bryanston, 2021

27 August 2014

Registered office of transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)



Delta Property Fund Limited

(Incorporated in the Republic of South Africa)
(Registration number 2002/005129/06)

JSE share code: DLT ISIN: ZAE000172052

FORM OF PROXY FOR DELTA SHAREHOLDERS

The definitions and interpretations commencing on page 7 of the circular to which this form of proxy is attached apply, *mutatis mutandis*, to this form of proxy.

This form of proxy is for the use by Delta shareholders who hold certificated Delta linked units or who are registered as own-name in dematerialised form only. Delta shareholders who have dematerialised their Delta linked units, other than with own-name registration, are requested to refer to the "Action required by Delta linked unitholders" section of the circular to which this form of proxy is attached for a full understanding of the action required by them.

For use by certificated Delta shareholders and own-name dematerialised Delta shareholders only, at the general meeting of Delta shareholders to be held at Silver Stream Office Park, 10 Muswell Road South, Bryanston, 2021 on Thursday, 2 October 2014, commencing at 12:30, or at any adjournment thereof.

Any Delta shareholder entitled to vote at the general meeting of Delta shareholders may appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a linked unitholder of the company.

I/We (full names in BLOCK LETTERS please)

of (address)

Telephone: ()

Cellphone number:

Email address:

being the holder(s) of

Delta no par value shares

do hereby appoint (see note 2):

1. _____ of _____ or failing him/her,
2. _____ of _____ or failing him/her,

the chairman of the general meeting of Delta shareholders,

as my/our proxy to act for me/us and on my/our behalf at the general meeting of Delta shareholders which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the Resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the Resolutions and/or abstain from voting in respect of the Delta no par value shares registered in my/our name(s), in accordance with the following instructions (see note 3):

	Number of Delta no par value shares held		
	For	Against	Abstain
Special resolution number 1 (delinking of the Delta no par value shares and Delta debentures)			
Special resolution number 2 (cancellation of the Delta debentures and termination of the debenture trust deed)			
Special resolution number 3 (capitalisation of the issue price of the Delta debentures from an accounting perspective for the purposes of financial reporting in accordance with IFRS to the Company's stated capital account attributable to the ordinary shares)			
Special resolution number 4 (amendment of Delta's existing MOI)			
Ordinary resolution number 1 (general authorising resolution)			

***Note:** Please indicate with an "x" or the number of Delta no par value shares in the spaces above how you wish your votes to be cast. If no indication is given, the proxy will vote or abstain in his/her discretion.

Signed at

on

2014

Signature/s

Name in BLOCK LETTERS (full name if signing in a representative capacity)

Assisted by (where applicable)

A proxy need not be a linked unitholder.

A proxy may not delegate his/her authority to act on his/her behalf to another person.

This proxy form will lapse and cease to be of force and effect immediately after the general meeting of the company and any adjournments thereof, unless it is revoked earlier.

Please read the notes below hereof.

Notes:

1. A Delta shareholder entitled to attend and vote at the abovementioned meetings is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in his/her stead or abstain from voting. The proxy need not be a member of Delta. A Delta shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different Delta shares held by the Delta shareholder.
2. A proxy may delegate the proxy's authority to act on behalf of the Delta shareholder to another person.
3. The completion and lodging of this form of proxy will not preclude the relevant Delta shareholder from attending the general meeting of Delta shareholders and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Delta shareholder wish to do so. Accordingly, the appointment of a proxy in terms hereof is suspended at any time and to the extent that the Delta shareholder chooses to act directly and in person in the exercise of any rights as a Delta shareholder.
4. A proxy is entitled to exercise, or abstain from exercising, any voting right of the Delta shareholder without direction, except to the extent that the voting instructions are set out in the relevant section of the proxy forms.
5. The appointment of a proxy shall remain valid until the end of the meeting contemplated in this appointment (including in respect of any adjournment or postponement of the general meeting of Delta shareholders), unless revoked in the manner contemplated in note 6 below.
6. A Delta shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy, and (ii) delivering a copy of the revocation instrument to the proxy and to Delta. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Delta shareholder as of the later of: (i) the date stated in the revocation instrument, if any, or (ii) the date on which the revocation instrument was delivered to Delta.
7. Please insert the number of Delta no par value shares, as the case may be, in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of Delta no par value shares, as the case may be, exercisable by you, insert the number of Delta no par value shares, as the case may be, held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise and compel the chairman, if the chairman is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as he/she deems fit, in respect of all the Delta shareholder's votes exercisable thereat. A Delta shareholder or its/his/her proxy is not obliged to use all the votes exercisable by the Delta shareholder or its/his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Delta shareholder or its/his/her proxy.
8. The record date to be entitled to attend, participate in and vote at the general meeting of Delta shareholders is by close of trading on Friday, 26 September 2014. To be valid, forms of proxy must be completed and returned to the transfer secretaries:

Hand deliveries of forms of proxy to:

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street
Johannesburg, 2001

Postal deliveries of forms to:

Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown, 2107

to be received by no later than 12:30 on Tuesday, 30 September 2014 (or 24 hours before any adjourned general meeting of Delta shareholders which date, if necessary, will be notified in the press and on SENS).

9. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
10. In the case of a joint holding, the first-named only is required to sign.
11. The authority of a person signing a proxy in a representative capacity must be attached to the form of proxy unless that authority has already been recorded by Delta.
12. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian as applicable, unless the relevant documents establishing capacity are produced or have been registered with the transfer secretaries.
13. If the instrument appointing a proxy or proxies has been delivered to Delta, as long as that appointment remains in effect, any notice that is required by the Companies Act or Delta's Memorandum of Incorporation to be delivered by Delta to the Delta shareholder must be delivered by Delta to: (i) the Delta shareholder, or (ii) the proxy or proxies, if the Delta shareholder has directed Delta in writing to do so and paid any reasonable fee charged by Delta for doing so.



Delta Property Fund Limited

(Incorporated in the Republic of South Africa)
(Registration number 2002/005129/06)

JSE share code: DLT ISIN: ZAE000172052

FORM OF SURRENDER (FOR CERTIFICATED DELTA LINKED UNITHOLDERS ONLY)

Instructions:

1. This form of surrender is for use by certificated linked unitholders who will be receiving replacement share certificates pursuant to the implementation of the scheme and, when completed, should be sent to the transfer secretaries.
2. Replacement share certificates will not be sent to certificated linked unitholders unless and until a form of surrender and the documents of title in respect of the relevant linked units have been surrendered to the transfer secretaries.
3. **Part A** must be completed by all linked unitholders who have not yet dematerialised their linked unit certificates or other documents of title. Dematerialised linked unitholders must not complete a form of surrender as the appropriate action will be taken by their CSDP or broker.
4. If this form of surrender is received by the transfer secretaries with the relevant documents of title prior to the scheme becoming effective, it will be treated as a conditional surrender which is made subject to such scheme becoming effective. Such surrendered documents of title will be held in trust by the transfer secretaries until the scheme becomes effective. In the event of the scheme not becoming effective, for any reason whatsoever, the transfer secretaries will within five business days after either the date upon which it becomes known that the scheme will not be able to be implemented, or, after subsequent receipt of surrendered documents of title (whichever is the later), return the relevant documents of title to the shareholders concerned, at their risk, by registered post.
5. **Part B** must be completed by all emigrants from and non-residents of the common monetary area who are recorded in the linked unitholder register of the company and who have not yet dematerialised their documents of title.
6. A separate form of surrender is required for each linked unitholder.

Please refer to the instructions above and the notes overleaf before completing this form of surrender

To: Delta Property Fund Limited

Care of: Computershare Investor Services Proprietary Limited or PO Box 61763
Ground Floor Marshalltown
70 Marshall Street 2107
Johannesburg
2001

Dear Sirs,

I/We, the undersigned, being the registered holder of the number of linked units specified below, which are free of encumbrances, hereby surrender the enclosed documents of title identified below in respect of the shares held by me/us in the company conditional upon the special resolutions in respect of the transaction being passed (and the subsequent lodging of the relevant special resolutions with CIPC) at the general meeting of Delta debenture holders and the general meeting of Delta shareholders to be held on Thursday, 2 October 2014.

I/We hereby instruct you to post a replacement certificate in respect of the linked units surrendered to me, by registered post, at my/our risk, to the address given below, on the terms set out in the document dispatched to linked unitholders to which this form of surrender was attached. I/We acknowledge that if no address is stated below, the replacement certificate will be sent to my/our address recorded on the relevant sub-register.

My/Our signature(s) on this form of surrender constitutes my/our execution of this instruction.

Signature of linked unitholder

Date:

Surname or name of corporate body:	Stamp and address of agent lodging this form (if any)
First name(s) in full	
Title (Mr, Mrs, Miss, Ms etc.)	
Telephone number	
Cellphone number	
Email address	
Assisted by me (if applicable)	
Date	
State full name and capacity	
Postal address (preferably PO Box address) to which replacement certificates should be sent, if other than the address contained in the register of linked unitholders	
	Postal code:

In order to comply with the requirements of the Financial Intelligence Centre Act, 38 of 2001, the transfer secretaries will not be able to record any change of address request unless the request is accompanied by the following documentation:

- an originally certified copy of your identity document;
- an originally certified copy of a document issued by the South African Revenue Service verifying your income tax number. If you do not have an income tax number, a letter to this effect, certified by a commissioner of oaths must accompany your request; and
- an original or originally certified copy of a service account verifying your residential address.

PART A – Applicable to all certificated linked unitholders.

Linked unit certificate/s and/or documents of title surrendered:

Name of Delta linked unitholder	Certificate number(s)	Number of Delta linked unitholders covered by each certificate(s) enclosed	For office use only
Total			

PART B – Applicable to all emigrants from and non-residents of the Common Monetary Area who are recorded in the linked unitholder register of the company.

Nominated authorised dealer in the case of a certificated linked unitholder who is an emigrant from or non-resident of the Common Monetary Area

(who wish their replacement share certificates to be sent to an authorised dealer in South Africa):

Name of authorised dealer/bank	
Address	
Account number	

NOTES:

Completion of this form of surrender ("form")

1. If you have any doubt as to how to complete this form, please consult your accountant, attorney, banker, broker or other professional adviser.
2. This form must be completed, signed and sent, together with the relevant linked unit certificate/s and/or other document/s of title, to the offices or to the postal address of the transfer secretaries.
3. Any alteration to or correction on this form must be signed in full and not only initialled.

Return address:

Once completed, this form, together with documents of title surrendered, must be delivered or mailed to the transfer secretaries at the following addresses, respectively, in an envelope marked "Delta Property Fund Limited – Certificates of title":

By hand:

Computershare Investor Services Proprietary Limited
Ground Floor
70 Marshall Street
Johannesburg
2001

By mail:

Computershare Investor Services Proprietary Limited
PO Box 61763
Marshalltown
2107

Posting of replacement certificates

If this form is returned with the relevant documents of title to linked units, it will be treated as a conditional surrender which is made subject to the scheme becoming operative and the implementation of the scheme. In the event of the scheme not becoming operative for any reason whatsoever, the transfer secretaries will, by not later than five business days after the date upon which it becomes known that the scheme will not be operative, return the documents of title to the linked unitholders concerned, by registered post, at the risk of linked unitholders.

Certificates reflecting the scheme will be sent to the address provided overleaf (or failing such instruction, to the address of the linked unitholder concerned as recorded in the relevant sub-register of the company) by registered post at the risk of the linked unitholder concerned on or about Monday, 8 December 2014, if the documents of title have been surrendered before 12:00 on Friday, 5 December 2014. Contrary instructions will not be accepted. Any documents received after this date will be replaced within five business days from the date on which the documents have been received by the transfer secretaries.

Instructions:

1. Persons who have acquired linked units in the company after the date of posting of the document, to which this form is attached, can obtain copies of the form and the said document from the transfer secretaries.
2. All certificated unitholders completing and returning the form must also surrender all their existing linked unit certificates.
3. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts.
4. Signatories may be called upon for evidence of their authority or capacity to sign this form.
5. If this form is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this form for noting, unless it has already been noted by the transfer secretaries or it has been lodged with a broker and this form bears the stamp of that broker.
6. Where the member is a company or a close corporation, unless it has already been registered with the transfer secretaries, a certified copy of the directors' or members' resolution authorising the signing of this form must be submitted if so requested by the transfer secretaries.
7. Where there are joint holders of any linked units, only that holder whose name appears first in the register in respect of such linked units need sign the form.
8. If the unitholder is a deceased estate, this form must be accompanied by a certified copy of the Letter of Executorship, unless the relevant documents have already been lodged with the transfer secretaries or with a broker and this form bears the stamp of that broker.
9. A minor must be assisted by his/her parent or guardian.

Lost share certificates and/or documents of title

If a linked unit certificate or other document of title relating to any linked unit in the company has been lost or destroyed, the relevant replacement certificate will only be issued upon production of satisfactory evidence that the relevant linked unit certificate or document of title has been lost or destroyed and upon delivery of an indemnity, in a form and on terms and conditions approved by the company. Indemnity forms may be requested from the transfer secretaries.

Dematerialised unitholders

This form is not intended for dematerialised linked unitholders and such linked unitholders must not complete this form. Where dematerialised linked unitholders wish to provide a new address to which share statements are to be posted, such linked unitholders should contact their CSDP or broker.

South African Exchange Control Regulations

In the instance of certificated linked unitholders whose registered addresses in the company's share register are outside of the common monetary area, or where the relevant certificates are restrictively endorsed in terms of the South African Exchange Control Regulations, the following will apply:

- for non-residents who are emigrants from the common monetary area, the replacement share certificate reflecting the capital restructure will be sent to the linked unitholders' authorised dealer in foreign exchange in South Africa controlling their blocked assets; and
- for all other non-residents, the replacement share certificate reflecting the capital restructure will be restrictively endorsed "non-resident" in terms of the South African Exchange Control Regulations.