

NEW FRONTIER

NEW FRONTIER PROPERTIES LTD

(Incorporated in the Republic of Mauritius)
(Registration number 123368C1/GBL)
SEM share code: "NFP.N000"
JSE share code: "NFP" ISIN: "MU0453N00004"
("New Frontier" or "the company")

PRE-LISTING STATEMENT

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

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

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

- an offer to invited investors to subscribe for up to approximately 1 000 000 shares at an issue price payable in Rand which is equivalent to USD1.00 per share determined at the prevailing USD:ZAR exchange rate at 12:00 on Thursday, 15 January 2015; and
- the subsequent listing of all the issued shares of the company by way of a secondary listing on the Alt^x.

2015

Opening date of SA private placement at 09:00 on	Wednesday, 14 January
Closing date of SA private placement at 12:00 on*	Thursday, 15 January
Results of SA private placement released on SENS on	Friday, 16 January
Proposed listing on the Alt ^x at 09:00 on	Wednesday, 21 January

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

The SA private placement is an invitation to invited investors and will be constituted by the offer of up to approximately 1 000 000 shares. The shares to be issued in terms of the SA private placement will rank *pari passu* with all other shares in issue.

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

There is no minimum amount, in the opinion of the directors, which is required to be raised in terms of the SA private placement. However, the listing on the JSE is subject to the JSE being satisfied that a sufficient number of shares will be available on the SA share register. The shares which are the subject of the SA private placement are not subject to any conversion or redemption provisions.

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

Immediately prior to the listing, the issued share capital of New Frontier will comprise 938 736 ordinary no par value shares. Assuming that 1 000 000 shares are issued in terms of the SA private placement, immediately after the SA private placement and the listing on the JSE the issued share capital of the company will comprise 1 938 736 shares of no par value. The anticipated market capitalisation of the company will be approximately USD1 938 736 million (approximately R20 356 728). There will be no shares held in treasury.

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

The JSE has granted New Frontier a listing of all of the company's issued shares on the Alt^x under the abbreviated name: "Frontier", JSE share code: "NFP" and ISIN: "MU0453N00004" with effect from the commencement of trade on Wednesday, 21 January 2015. This will be a foreign inward listing.

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

The directors, whose names are given on page 11 of this pre-listing statement, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this pre-listing statement contains all information required by law and the JSE Listings Requirements.

Each of the South African corporate advisors, JSE sponsor, SEM authorised representative, independent reporting accountants, auditors, Mauritian company administrator, SA transfer secretaries, independent property valuer and bankers whose names are included in this pre-listing statement have consented in writing and have not prior to publication of this pre-listing statement withdrawn their written consent to the inclusion of their names in the capacity stated and, where applicable, to their reports being included in this pre-listing statement.

In this pre-listing statement, unless otherwise stated, an indicative USD:ZAR exchange of USD1.00:R10.50 has been used.

South African corporate advisor and JSE sponsor

JAVACAPITAL

SEM authorised representative

LCF
SECURITIES

Mauritian company administrator

GMG

Independent reporting accountants and auditors

BDO

Date and place of incorporation of the company: 5 June 2014, Mauritius

Date of issue of the pre-listing statement: Tuesday, 13 January 2015

This pre-listing statement is available in English only. Copies may be obtained from the company, the South African corporate advisors, and the SA transfer secretaries at the addresses set out in the "Corporate Information" section of this pre-listing statement during normal office hours from Tuesday, 13 January 2015 to Wednesday, 21 January 2015.

CORPORATE INFORMATION

Registered office and postal address of the company

19th Floor
Newton Tower
Sir William Newton Street
Port Louis, Mauritius

South African corporate advisor

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

Mauritian company administrator

GMG Trust Limited
Business registration number C07041427
(Incorporated in Mauritius
Company No. 41427)
19th Floor
Newton Tower
Sir William Newton Street
Port Louis, Mauritius
(Postal address same as physical address)

Mauritian corporate advisor and legal advisor as to Mauritian law

Mardemotoo Solicitors
3rd Floor, Jamalacs Building
Port Louis
Mauritius
(Postal address same as physical address)

Auditors (Mauritius)

BDO & Co
(Registration number C07051864)
10 Frère Félix de Valois Street
Port Louis
Mauritius

Mauritian bankers

Barclays Bank Mauritius Limited
Company No. 68913
1st Floor, Barclays House
68-68A Cybercity
Ebene
Mauritius
Business registration number C10068913

JSE sponsor

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

South African transfer secretaries

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

Independent reporting accountants (South Africa)

BDO South Africa Incorporated
(Registration number 1995/002310/21)
Chartered Accountants (SA)
Registered Auditors
22 Wellington Road
Parktown, 2193
(Private Bag X60500, Houghton, 2041)

SEM authorised representative and listing sponsor

LCF Securities Limited (Registration number C11106468)
Suite 108, 1st Floor
Molea Business Centre
Mont Ory Road, Molea
Mauritius
(Postal address same as physical address)

Independent property valuer

Smith Gore BVI Ltd
(Registration number 1070394)
Britannic Hall, Main Street
Road Town
Tortola
British Virgin Islands
(PO Box 135, Road Town, Tortola, British Virgin Islands)

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IMPORTANT DATES AND TIMES⁽¹⁾

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

2015

Abridged pre-listing statement published on SENS on	Tuesday, 13 January
Opening date of the SA private placement at 09:00 on	Wednesday, 14 January
Closing date of the SA private placement at 12:00 on	Thursday, 15 January
Results of the SA private placement released on SENS on	Friday, 16 January
Notification of allotments by	Friday, 16 January
Listing of all of the company's issued shares including private placement shares on the JSE from the commencement of trade on	Wednesday, 21 January
Accounts at CSDP or broker updated and debited in respect of dematerialised shareholders that subscribed for shares in terms of the SA private placement on	Wednesday, 21 January

Notes:

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

INTRODUCTION TO NEW FRONTIER AND OVERVIEW

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

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

1. INCORPORATION

- 1.1 The company was established in Mauritius on 5 June 2014 as a GBL licensed company.
- 1.2 New Frontier listed on the SEM on Friday, 28 November 2014 following the listing of 938 736 shares of no par value. New Frontier will conduct its business from Mauritius.

2. OVERVIEW OF NEW FRONTIER

2.1 Introduction

New Frontier has been established with the primary objective of acquiring and developing good quality income generating property assets primarily situated in frontier markets outside South Africa but will pursue strategic investments in developed markets on an opportunistic basis.

New Frontier is led by a team of individuals with significant experience records in real estate and fund management, and having sufficient and satisfactory experience in the management of global businesses, which experience is substantiated in the details of directors, including their various board appointments, set out in **Annexure 1**.

New Frontier has been established in Mauritius in order to take advantage of Mauritius' business friendly infrastructure, its tax regime and the double taxation avoidance agreements that Mauritius has negotiated with many of the jurisdictions in which the company intends to invest. It is envisaged that a listing on the SEM will provide access to a global investor base of managed funds, high net worth individuals and other sources of capital who view Mauritius as an attractive investment destination.

2.2 Investment strategy

New Frontier has undertaken to focus on a two-fold strategy: income generating assets and development assets.

– *Income generating assets*

The income generating assets will comprise completed buildings, held directly or indirectly. New Frontier will target income generating properties with strong sustainable income from high quality tenants with strong likelihood of renewal of leases on expiry. Not only will the income generating assets provide investors with a satisfactory yield, but they will also provide New Frontier stable income and balance sheet strength for the company to responsibly secure and fund high-growth opportunities within developments.

– *Development assets*

Developments will comprise greenfields developments of land or brownfields developments by refurbishment, upgrade or other improvement to existing office, mixed use, retail and light industrial properties.

The company's investments may be held through subsidiaries incorporated in various jurisdictions for the purpose of maximising tax efficiencies of the company's investments.

New Frontier's strategy is to have 50% by value of the company's assets in income generating assets and 50% in developments. New Frontier's weighting of investments to developments, its re-investment of profits from rentals or occasional disposals, and its retention of completed developments as investments rather than their sale and resultant realisation of development profits, are intended to optimise long-term sustainable capital growth and enhance total returns to shareholders.

Geographically, the company will target assets primarily situated in frontier markets outside of South Africa but will pursue strategic investments in developed markets on an opportunistic basis.

Investments in listed property securities may be made from time to time where this justified by pricing differentials between direct property and property securities; however the majority of assets will comprise fixed properties.

The company's medium term target is to grow its gross asset value to USD300 million by the end of the financial year ended 31 December 2017. The company will target total investment returns in excess of 9% p.a. net to investors through a combination of income and capital appreciation.

Further information on New Frontier's investment strategy, process and operations is detailed in **Annexure 3**. Investments made by the company as at the last practicable date are set out in paragraph 5.

2.3 Listing on the JSE

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

- 2.3.1 enhance potential investors' awareness of the company;
- 2.3.2 improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its securities;
- 2.3.3 provide invited investors the opportunity to participate directly in the income streams and future capital growth of the company; and
- 2.3.4 provide invited investors with an additional market for trading the company's shares.

3. SA PRIVATE PLACEMENT

The SA private placement comprises an offer to subscribe for up to approximately 1 000 000 New Frontier shares at no par value per share which offer will raise up to the Rand equivalent of approximately USD1 000 000 determined at the prevailing USD:ZAR exchange rate at 12:00 on Thursday, 15 January 2015.

DEFINITIONS

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

“Alt ^x ”	the Alternative Exchange of the JSE;
“application form”	the application form in respect of the SA private placement which is attached to and forms part of this pre-listing statement;
“the board” or “the directors”	the board of directors of New Frontier, particulars of whom are set out in Annexure 1 of the pre-listing statement;
“business day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“BVI”	the British Virgin Islands;
“certificated shares”	shares in respect of which physical share certificates are issued;
“Coastal Building Holdings Limited”	Coastal Building Holdings Limited (Registration number 1661050), a company incorporated under the laws of the British Virgin Islands and a wholly owned subsidiary of New Frontier;
“Coastal Building sale agreement”	the Agreement dated 25 July 2014 between the company and Brendon Jones, in terms of which the company acquired 100% of the Class A Shares in Coastal Building Holdings Limited from Brendon Jones, with effect from 5 June 2014, for a purchase price of USD937 736, which was settled by the issuing by the company of 4 000 ordinary shares in itself to Brendon Jones at an issue price of USD234.00 per ordinary share, with effect from 5 June 2014;
“common monetary area”	collectively, South Africa, the Kingdoms of Swaziland and Lesotho, and the Republic of Namibia;
“Constitution”	the constitution of the company dated Thursday, 5 June 2014;
“CSDP”	a Central Securities Depository Participant appointed by a shareholder for purposes of and in regard to dematerialisation and to hold and administer shares on behalf of a shareholder;
“dematerialise” or “dematerialisation”	the process whereby physical share certificates are replaced with electronic records of ownership under Strate and recorded in the sub-register of shareholders maintained by a CSDP or broker;
“dematerialised shares”	shares which have been dematerialised and incorporated into the Strate system;
“dematerialised shareholder”	a holder of dematerialised shares;
“emigrant”	an emigrant from South Africa whose address is outside the common monetary area;
“Euro”	Euro, the official currency of the Eurozone;
“exchange control regulations”	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act, 1933;

“GBL”	a category 1 Global Business License issued under the Mauritian Financial Services Act 2007. Category 1 Global Business License companies are governed by the Mauritian Companies Act and regulated by the Mauritius Financial Services Commission. Category 1 Global Business License companies are managed and controlled in Mauritius whose ultimate purpose is to provide a service or to make an investment outside of Mauritius;
“GMG” or “company secretary” or “company administrator”	GMG Trust Limited (Registration number 41427), further details of which are set out in the “Corporate information” section;
“gross value”	the value of the immovable properties owned or leased by the company or its subsidiaries, together with (1) any other immovable property which may be acquired, directly or indirectly, or leased, and (2) listed or unlisted shares, loans or other interests in companies and other persons or legal structures which own or lease immovable properties;
“IFRS”	International Financial Reporting Standards;
“independent property valuer” or “Smith Gore”	Smith Gore BVI Ltd (Registration number 1070394), a private company incorporated in accordance with the laws of the BVI, further details of which are set out on in the “Corporate Information” section. Smith Gore is an independent registered valuer, who’s independence has been approved by the JSE in accordance with Appendix 13 of the JSE Listings Requirements;
“independent reporting accountants” or “BDO”	BDO South Africa Incorporated (Registration number 1995/00230/21); further details of which are set out on in the “Corporate Information” section;
“investment strategy”	the investment strategy of the company as determined by the board of directors further details of which are contained in paragraph 4 of the pre-listing statement;
“invited investors”	those private clients, selected financial institutions and retail investors who have been invited to participate in the SA private placement;
“issue price”	the Rand equivalent of USD1.00 per share determined at the prevailing USD:ZAR exchange rate at 12:00 on Thursday, 15 January 2015;
“investment management agreement”	the agreement dated Friday, 6 June 2014 between New Frontier and the investment manager further details of which are set out in Annexure 2 ;
“Java Capital”	collectively Waydale Investments (Proprietary) Limited trading as Java Capital (Registration number 2012/089864/07) and Java Capital Trustees and Sponsors (Proprietary) Limited (Registration number 2006/005780/07), private companies incorporated in accordance with the laws of South Africa, further details of which are set out on in the “Corporate Information” section;
“JSE”	JSE Limited (Registration number 2005/022939/06), a company duly registered and incorporated with limited liability in accordance with the laws of South Africa, licensed as an exchange under South Africa’s Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“JSE Listings Requirements”	the JSE Listings Requirements, as amended from time to time;
“King III”	the Third King Report on Corporate Governance;
“last practicable date”	the last practicable date prior to the finalisation of the document, being Wednesday, 3 December 2014;
“LCF”	LCF Securities Limited (Registration number C11106468), further details of which are set out in the “Corporate information” section;
“listing on the JSE”	the listing of New Frontier on the Alt ^x in terms of the JSE Listings Requirements;
“listing on the SEM”	the listing of New Frontier on the SEM on Friday, 28 November 2014 in terms of the SEM Listing Rules;

“listings”	collectively, the listing on the SEM and the listing on the JSE;
“listing date”	the anticipated date of listing of all the company’s issued shares on the Alt ^x , expected to be Wednesday, 21 January 2015;
“management”	the current management of the company, as detailed in Annexure 1 ;
“Mauritian Companies Act”	the Mauritian Companies Act 2001 (Act 15 of 2001) as amended;
“Mauritian share register”	the share register maintained on behalf of the company in Mauritius by the Mauritian company administrator;
“Mauritius”	the Republic of Mauritius;
“New Frontier” or “the company”	New Frontier Properties Ltd (Registration number 123368C1/GBL), a company incorporated in accordance with the laws of Mauritius and holding a category 1 Global Business License issued by the Financial Services Commission of Mauritius;
“New Frontier shareholder” or “shareholder”	a holder of shares;
“New Frontier shares” or “shares”	ordinary no par value shares in the share capital of the company;
“pre-listing statement”	this pre-listing statement and its annexures, dated Tuesday, 13 January 2015, which has been prepared in compliance with the JSE Listings Requirements;
“Premier Capital” or “the investment manager”	Premier Capital Managers Ltd (Registration number 1512794), a company incorporated in the British Virgin Islands, an external investment manager to New Frontier, further details of which are provided in paragraph 2.2.2 of the pre-listing statement;
“private placement shares”	1 000 000 New Frontier shares being offered in terms of the SA private placement;
“promoter”	the party(ies) responsible for the formation of a company to be listed, or acquired by an existing issuer, and who earn(s) a fee there from, in cash or otherwise;
“REIT”	Real Estate Investment Trust, a company listed on the JSE which has received REIT status in terms of the JSE Listings Requirements;
“the property”	the two storey commercial office building in the British Virgin Islands, wholly owned by Coastal Building Holdings Limited;
“SA Companies Act”	the South African Companies Act, 2008 (Act 71 of 2008), as amended;
“SA private placement”	an offer to invited investors to subscribe for up to approximately 1 000 000 New Frontier shares at the issue price;
“SA transfer secretaries” or “Link”	Link Market Services South Africa (Pty) Limited (Registration number 2000/007239/07), a private company incorporated in accordance with the company laws of South Africa and the South African transfer secretaries to the company, further details of which are set out on in the “Corporate Information” section;
“SA share register”	the share register maintained on behalf of the company in South Africa by the SA transfer secretaries;
“SEM”	the Stock Exchange of Mauritius Ltd established under the repealed Stock Exchange Act, 1988 and governed by the Securities Act, 2008 of Mauritius;
“SEM Listing Rules”	the Listing Rules of the SEM governing the Official Market;
“SENS”	the Stock Exchange News Service of the JSE;
“South Africa” or “SA”	the Republic of South Africa;

“ Strate ”	Strate Limited (Registration number 1998/0022242/06), a public company incorporated in accordance with the company laws of South Africa and the electronic clearing and settlement system used by the JSE to settle trades;
“ subdivision of New Frontier shares ”	on 6 October 2014, the board of the company resolved to subdivide the total shares in issue (being 5 000 ordinary no par value shares) resulting in there being 938 736 ordinary no par value shares in issue;
“ USD ” and “ \$ ”	the official currency of the United States of America;
“ VAT ”	value added tax;
“ ZAR ” or “ Rand ”	South African Rand, the official currency of South Africa.

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NEW FRONTIER PROPERTIES LTD

(Incorporated in the Republic of Mauritius)
(Registration number 123368C1/GBL)
SEM share code: "NFP.N000"
JSE share code: "NFP" ISIN: "MU0453N00004"
("New Frontier" or "the company")

Directors of the company

Brendon Jones (*Chief executive officer*)^{#^}
Daniel Romburgh (*Financial director*)^{#^}
Gary Fourie (*Executive director*)[^]
Hendrik Barnhoorn (*Independent non-executive director*)[^]
Peter Todd (*Non-executive director*)^{#^}
Diane Bosman (*Independent non-executive director*)[^]

[#]*British*

[^]*South African*

SECTION ONE – INFORMATION ON THE COMPANY

1. INTRODUCTION

The purpose of this pre-listing statement is to provide information to invited investors in relation to the company and its activities.

2. DIRECTORS AND KEY SERVICE PROVIDERS

2.1 New Frontier's board of directors

Annexure 1 contains the following information:

- 2.1.1 details of directors and executive management including their names, addresses, qualifications, occupations and experience;
- 2.1.2 information concerning the appointment, remuneration, terms of office, and borrowing powers of the directors;
- 2.1.3 directors' interests;
- 2.1.4 directors' declarations; and
- 2.1.5 directors' other directorships and partnerships.

2.2 Key service providers

2.2.1 *Company administrator*

It is anticipated that the board will leverage off existing operations within GMG, its duly appointed company administrator in Mauritius, and associated companies for operations management, finance and accounting.

GMG is licensed by the Mauritius Financial Services Commission to provide a comprehensive range of financial and fiduciary services to international businesses. All administrative business functions of the company shall be carried out by GMG in Mauritius.

2.2.2 *Investment Manager*

New Frontier has entered into an investment management agreement with an external investment manager, Premier Capital. The investment management agreement regulates the undertakings between the investment manager and the company, in terms of which the service provider will provide certain services in relation to the company's property investments in return for a fee payable by the company or a nominated subsidiary.

The investment manager management team has considerable expertise in property and structured finance. Details of the directors of Premier Capital are set out in **Annexure 1**.

Premier Capital's business address is Coastal Building, Wickham's Cay II, Road Town, Tortola, British Virgin Islands.

The investment manager does not provide any advisory services to any other listed property entities.

The investment manager is responsible for *inter alia*:

- sourcing and evaluating suitable property;
- conducting due diligence on properties;
- negotiating disposals of property;
- sourcing and raising equity funding;
- negotiating debt funding and re-financings;
- devising strategies with respect to the company's fixed property;
- managing the property portfolio in keeping with the operating standard as directed by the company;
- preparation of annual budgets, financial reporting, letting policies, and valuations;
- conducting or procurement of strategic and operational research;
- identifying property managers and other service providers;
- all administration and regulatory aspects of the company's property; and
- providing non-binding recommendations and other advisory services to the company with regards to its property investments.

The investment manager or the company may in turn contract the services of similar service providing companies which have specialist skills or knowledge within a particular jurisdiction that the company intends investing in.

The salient terms of the investment management agreement and other third party service providers are detailed in **Annexure 2**.

3. **INCORPORATION, HISTORY AND NATURE OF BUSINESS**

3.1 **Incorporation and address**

3.1.1 New Frontier was incorporated on 5 June 2104 in Mauritius and holds a GBL licence and has been operational since inception. The company's registered address is 19th Floor, Newton Tower, Sir William Newton Street, Port Louis, Mauritius.

3.1.2 New Frontier's issued share capital was listed on the SEM on Friday, 28 November, 2014.

3.2 **History**

The company was incorporated on 5 June 2014 and accordingly has no trading history.

3.3 **Nature of the business**

New Frontier has been established with the primary objective of acquiring and developing good quality income generating property assets primarily situated in frontier markets but will pursue strategic investments in developed markets on an opportunistic basis.

The company, through its subsidiary Coastal Building Holdings Limited, owns a commercial property in the British Virgin Islands.

New Frontier has access to a strong pipeline of potential acquisitions and developments, including in particular:

- properties with medium to longer term lease expiry profiles with strong tenants and high probabilities of renewal; and
- developments comprising greenfields development of land or brownfields development by refurbishment, upgrade or other improvement to existing buildings.

Its intention is to rapidly grow its portfolio of assets.

The management of the company has significant experience in real estate and fund management, which experience is substantiated in the details of directors, including their various board appointments, set out in **Annexure 1**.

The company conducts its business from Mauritius because of the business-friendly environment, its tax regime and the double-taxation avoidance agreements that Mauritius has with many of the jurisdictions that the company will invest in. Moreover, the company will be able to access to a global investor base through its listing on the SEM.

New Frontier currently owns 100% of the Class A shares in Coastal Building, which owns a commercial property in the British Virgin Islands. Coastal Building (Registration number 1661050) was incorporated on 15 July 2011 in the British Virgin Islands. Details of the directors of Coastal Building are set out in **Annexure 1**.

3.4 Listings on the SEM and the JSE

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

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

3.4.2.1 enhance potential investors' awareness of the company;

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

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

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

3.5 Financial year-end

The financial year-end of the company is 31 December each year.

4. INVESTMENT STRATEGY, PROCESS AND OPERATIONS

4.1 New Frontier has undertaken to focus on two areas: income generating assets and development assets.

4.1.1 *Income generating assets*

The income generating assets will comprise completed buildings, held directly or indirectly. New Frontier will target income generating properties with strong sustainable income from high quality tenants with strong likelihood of renewal of leases on expiry. Not only will the income generating assets provide investors with a satisfactory yield, but they will also provide New Frontier stable income and balance sheet strength for the company to responsibly secure and fund high-growth opportunities within developments.

4.1.2 *Development assets*

Developments will comprise greenfields developments of land or brownfields developments by refurbishment, upgrade or other improvement to existing office, mixed use, retail and light industrial properties.

- 4.2 New Frontier's strategy is to have 50% by value of the company's assets in income generating assets and 50% in developments. New Frontier's weighting of investments to developments, its re-investment of profits from rentals or occasional disposals, and its retention of completed developments as investments rather than their sale and resultant realisation of development profits, are intended to optimise long-term sustainable capital growth and enhance total returns to shareholders.
- 4.3 The company's investments may be held through subsidiaries incorporated in various jurisdictions for the purpose of maximising tax efficiencies of the company's investments.
- 4.4 Investments in listed property securities may be made from time to time where this justified by pricing differentials between direct property and property securities; however the majority of assets will comprise fixed properties.
- 4.5 The company's medium term target is to grow its gross asset value to USD300 million by the end of the financial year ended 31 December 2017. The company will target total investment returns in excess of 9% p.a. net to investors through a combination of income and capital appreciation.
- 4.6 Geographically, the company will target assets situated primarily in frontier markets outside of South Africa but will pursue strategic investments in developed markets on an opportunistic basis. The company will invest in properties, property-related rights and land in respect of office, mixed use, retail and light industrial properties and developments. The directors of New Frontier believe attractive real estate investment opportunities exist in this region through fundamentally sound property portfolios which offer attractive yields. These investments will be held directly or via subsidiaries incorporated in various jurisdictions for the purpose of maximising the tax efficiencies of New Frontier's investments.
- 4.7 An outline of New Frontier's investment strategy, process and operations as at the last practicable date is presented in **Annexure 3** so as to provide invited investors with insight into New Frontier's likely investments in the future and is not intended to limit the broad objectives as outlined above. These investment strategies, processes and operations will be reviewed by the board on a regular basis so as to ensure that the company is meeting its defined objectives.
- 4.8 In furtherance of New Frontier's strategy, the board has for some time been in discussion with South Africa's Billion Group (Proprietary) Limited (the "**Billion Group**").

The Billion Group is headed by Sisa Ngebulana who is the founder and current chief executive officer of Reboasis Property Fund Limited ("**Reboasis**"), a JSE listed REIT with a market capitalisation of approximately R4.4 billion (as at 6 October 2014) and a property portfolio valued at approximately R7.0 billion (as at 28 February 2014).

The Billion Group is a property investment, management and development group, whose resume includes, amongst others, Hemingways Mall situated in East London, South Africa and Forest Hill Shopping Centre situated in Centurion, South Africa. The Hemingways Mall is a shopping centre with a gross lettable area of approximately 75 000m² consisting of 280 shops with the anchor tenants being some of South Africa's largest retailers. The Forest Hill Shopping Centre has approximately 75 000m² of space tenanted by numerous blue chip anchor retailers, boasts an ice rink, movie theatres and a games arcade. The Billion Group has a development pipeline of over 1.7 million square metres in South Africa.

The Billion Group has been actively pursuing opportunities in Sub-Saharan African, emerging and high growth markets that neighbour the European Union and selected developed markets, including the United Kingdom, Switzerland and Germany.

The intention is that the Billion Group, and/or its associates, would become cornerstone investors in New Frontier following its listing on the JSE. Following this, the board would likely be re-constituted by the introduction of new executive and non-executive directors (these could be in addition to the current directors or replace certain of the current directors, as considered appropriate).

It is anticipated that the introduction of the Billion Group and associates on this basis would provide New Frontier with a wealth of experience, a proven entrepreneurial and deal making track record, a South African investor network and a solid pipeline of investment and development opportunities in New Frontier's target markets.

5. INVESTMENTS TO DATE

New Frontier acquired 100% of the Class A shareholding of Coastal Building Holdings Limited on 5 June 2014 in terms of the Coastal Buildings sale agreement for a purchase price of USD937 736. Coastal Building Holdings Limited is incorporated in the British Virgin Islands on 15 July 2011 and which owns a 2 storey commercial office building in the British Virgin Islands, at an average annualised property yield of 8%. The property is situated at Wickham's Cay II, Road Town, Tortola, British Virgin Islands. The property is fully let and has a gross lettable area of 4 980 square feet. The property has been independently valued by Smiths Gore at 16 June 2014 at USD1 700 000 and a summary of their valuation report is presented in **Annexure 4**.

The details of the property are as follows:

Property name	Location	Sector	Lease expiry	Average rental per square foot (USD/Sq Ft)	Rentable area (Sq Ft)	Occupancy	Valuation as at 16 June 2014 (USD)	Net initial yield	Gross revenue (USD)
Coastal Building	Tortola, BVI	Commercial	Medium-term tenancies	37	4 980	100%	1 700 000	8%	215 995

The tenant profile, based on existing leases, graded as:

- "A": large national tenants (equivalent size based on revenue to large-cap listed comparables), large-cap listed tenants, government and major franchisees;
- "B": national tenants, mid cap listed tenants, franchisees, medium to large professional firms; and
- "C": other. This comprises four tenants.

The tenant profile of the property is as follows:

Tenant	Osiris International Trustees Limited	Heritage Services (BVI) Limited	Redefine BDL Hotel Group	Ciref Europe	GMG BVI Ltd	Premier Capital Managers Ltd
Tenant profile	C	C	B	C	B	C
Expiry of lease	September 2022	January 2019	December 2014	December 2014	March 2015	May 2015

Lease expiry profile:

Tenant	Lease expires	Square feet	Rental per annum (USD)
Osiris International Trustees Ltd	September 2022	2 420	100 000
Heritage Trust Services (BVI) Limited	January 2019	1 257	43 995
Redefine BDL Hotel Group	December 2014	207	18 000
Ciref Europe	December 2014	287	18 000
GMG BVI Ltd	March 2015	282	12 000
Premier Capital Managers Ltd	May 2015	288	24 000
Total		4 741	215 995

There is no escalation agreed upon in terms of the existing leases.

Further information of the vendor is set out in **Annexure 14** and further information of the subsidiary is set out in **Annexure 15**.

There are no restrictions affecting the remittance of profits or repatriation of capital into Mauritius from outside of Mauritius.

As at the last practicable date, Coastal Building Holdings Limited is the company's only investment.

6. COMPANY STRUCTURE

6.1 Company structure

The company structure is set out in **Annexure 5**.

6.2 Share capital

Information regarding the issued share capital of the company, the shareholders of the company holding in excess of 5% of the issued share capital immediately prior to the listing on the JSE, alterations of capital, a summary of offers of shares by the company to the public since incorporation and ancillary information is set out in **Annexure 6**.

6.3 Constitution

Extracts from the company's Constitution are set out in **Annexure 7**.

7. EMPLOYEES

As at the last practicable date the company only employed the Chief Executive Officer and the Financial Director. As the company is newly incorporated it has not previously employed any personnel.

8. COMMISSIONS PAID AND PAYABLE

8.1 No amount has been paid, or accrued as payable, since incorporation, as commission to any person, including commission so paid or payable to any sub-underwriter that is the holding company or a promoter or director or officer of the company, for subscribing or agreeing to subscribe, or procuring, or agreeing to procure, subscriptions for any securities of the company.

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

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

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

8.5 There are no royalties payable or items of a similar nature in respect of New Frontier or any of its subsidiaries.

9. MATERIAL CONTRACTS

The investment management agreement and the Coastal Building sale agreement are the only material contracts entered into (other than contracts entered into in the ordinary course of business) by the company since incorporation: (i) which is or may be material or (ii) which contain any provisions under which the company has any obligations or entitlements which are, or may be material, as at the date of this pre-listing statement. Details of the investment management agreement are set out in **Annexure 2**.

10. INTERESTS OF DIRECTORS AND RELATED PARTIES' INTEREST IN SHARES

As at the last practicable date, the interests of the directors and associates of the directors are detailed in **Annexure 1**.

None of the advisers of the company have or have had an interest in any shares or options in respect of shares, as at the last practicable date.

11. EXPENSES OF THE SA PRIVATE PLACEMENT AND THE LISTINGS

The estimated expenses, inclusive of VAT, relating to the SA private placement and the listing on the JSE which have been or are expected to be incurred set out below:

Expense	Recipient	Rand
Corporate advisory and sponsor fee	Java Capital	2 500 000
Independent reporting accountants' fee	BDO	140 000
JSE documentation fee	JSE	79 126
JSE listing fee	JSE	38 485
Printing, publication, distribution and advertising costs	Ince (Proprietary) Limited	50 000
SA transfer secretarial fee	Link Market Services South Africa (Pty) Limited	35 000
Property valuation report	Smith Gore	75 000
Total		2 917 611

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

New Frontier was listed on the SEM on Friday, 28 November 2014. The estimated expenses relating to the listing on the SEM which have been or are expected to be incurred is approximately USD60 000.

SECTION TWO – DETAILS OF THE SA PRIVATE PLACEMENT

12. PURPOSES OF THE SA PRIVATE PLACEMENT

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

- 12.1.1 enhance potential investors' awareness of the company;
- 12.1.2 improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its securities;
- 12.1.3 provide invited investors the opportunity to participate directly in the income streams and future capital growth of the company; and
- 12.1.4 provide invited investors with an additional market for trading the company shares.

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

- 12.2.1 provide invited investors with the relevant information regarding the company, its investment strategy and its directors and management;
- 12.2.2 enable New Frontier to obtain a listing on the JSE and set out the salient dates and terms of the listing on the JSE; and
- 12.2.3 provide details of the SA private placement.

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

13. ANTICIPATED APPLICATION OF THE PROCEEDS OF THE SA PRIVATE PLACEMENT

The proceeds from the SA private placement together with existing cash resources will be used to settle the costs associated with the SA private placement and the listing on the JSE and to acquire and develop real estate assets in accordance with the company's investment policy.

14. SALIENT DATES AND TIMES FOR TARGETED INVESTORS

	2015
Opening date of the SA private placement at 09:00 on	Wednesday, 14 January
Closing date of the SA private placement at 12:00 on	Thursday, 15 January
Results of the SA private placement released on SENS	Friday, 16 January
Notification of allotments by	Friday, 16 January
Listing of New Frontier shares on the Alt ^x	Wednesday, 21 January
Accounts at CSDP or broker updated and debited in respect of dematerialised shareholders	Wednesday, 21 January

These dates and times are South African dates and times and are subject to amendment. Any such amendment will be released on SENS.

15. PARTICULARS OF THE SA PRIVATE PLACEMENT

15.1 The SA private placement comprises an offer to subscribe for up to approximately 1 000 000 shares at the issue price which offer will raise up to the Rand equivalent of up to approximately USD1 000 000.

- 15.2 The SA private placement shares will be offered for subscription to initial invited investors in South Africa.
- 15.3 Those initial investors that have been invited to apply should do so by completing the attached South African private placement application form (*blue*).
- 15.4 No offer will be made to the public in respect of the SA private placement. The SA private placement is open to invited investors only.
- 15.5 There will be no fractions of private placement shares offered in terms of the SA private placement.

15.6 Participation in the SA private placement

- 15.6.1 Only invited investors may participate in the SA private placement. The shares will only be issued in dematerialised form. There will be no certificated shares issued.
- 15.6.2 Invited investors are to provide New Frontier with their irrevocable indications of interest by 12:00 on Thursday, 15 January 2015. Invited investors will be informed of their allocated shares, if any, by Friday, 16 January 2015, when the collated applications will be provided to the SA transfer secretaries and Strate. Invited investors must make the necessary arrangements to enable their CSDP to make payment for the allocated shares on the settlement date. The allocated private placement shares will be transferred, on a “delivery-versus-payment” basis, to successful invited investors on the settlement date, which is expected to be Wednesday, 21 January 2015.

15.7 Invited investors

Invited investors are to provide New Frontier with their irrevocable indications of interest by 12:00 on Thursday, 15 January 2015. Invited investors will be informed of their allocated shares, if any, by Friday, 16 January 2015, when the collated applications will be provided to the transfer secretaries and Strate. Invited investors must make the necessary arrangements to enable their CSDP to make payment for the allocated shares on the settlement date. The allocated shares will be transferred, on a ‘delivery-versus-payment’ basis, to successful institutional applicants on the settlement date, which is expected to be Wednesday, 21 January 2015.

15.8 Parties who may not participate in the SA private placement

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

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

15.9 Minimum capital to be raised

There is no minimum amount, in the opinion of the directors, which is required to be raised in terms of the SA private placement. However, the listing on the JSE is subject to the JSE being satisfied that a sufficient number of shares will be available on the SA share register. The shares which are the subject of the SA private placement are not subject to any conversion or redemption provisions.

15.10 Applications

15.10.1 Acceptance

No applications will be accepted after 12:00 on Thursday, 15 January 2015. The remainder of Thursday, 15 January 2015 will be reserved for auditing the application spreadsheets and correcting any potential clerical errors.

15.10.2 Completeness

Application forms are to be completed in their entirety.

15.10.3 Minimum number

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

15.10.4 Applications irrevocable

Applications submitted by invited investors are irrevocable and may not be withdrawn once received by New Frontier.

15.10.5 *Copies of applications*

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

15.10.6 *Alterations*

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

15.10.7 *Receipts*

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

15.10.8 *Evidence of capacity to apply*

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

15.10.9 *Reservation of rights*

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

15.11 **Matching of trades**

Java Capital, as bookrunner, will communicate the share allocations and successful applicants details to the company's transfer secretary and CSDP, Link. Successful applicants are required to instruct their broker/CSDP of their share allocation and instruct their broker/CSDP to settle the trade. These brokers/CSDPs will then confirm with Link that they have received instructions from the successful applicants to settle the trades. Link will then match the share allocation and applicant details provided by the bookrunner and the brokers/CSDPs and confirm matching prior to the settlement date.

Successful applicants must ensure that they have sufficient funds available in their broker/CSDP account(s) to enable their CSDP to make payment for the allocated shares on the settlement date and in order to enable Link to match the trades before the settlement date.

15.12 **Issue and allocation of the shares**

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

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

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

The basis of allocation of the SA private placement shares will be determined on an equitable basis.

It is intended that notice of the allocations will be given by Friday, 16 January 2015.

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

15.13 **Payment and delivery of shares**

No payment should be submitted with the application form delivered to New Frontier. Applicants must make the necessary arrangements to enable their CSDP or broker to make payment for the allocated shares on the settlement date, which is expected to be Wednesday, 21 January 2015, in accordance with each applicant's agreement with their CSDP or broker.

The allocated shares will be transferred, on a 'delivery-versus-payment' basis, to successful invited investors on the settlement date, which is expected to be Wednesday, 21 January 2015.

The applicant's CSDP or broker must commit to Strate to the receipt of the applicant's allocation of shares against payment on Wednesday, 21 January 2015.

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

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

15.14 Representation

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

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

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

15.14.2.2 guarantees the payment of the issue price; and

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

15.15 Applicable law

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

15.16 Strate and the trading of shares on the Alt^x

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

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

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

15.17 Over-subscription

There is no maximum number of shares that can be subscribed for and/or purchased in terms of the SA private placement. The board shall, in its discretion, determine an appropriate allocation mechanism, such that shares will be allocated on an equitable basis, as far as possible. Factors to be considered by the board in allocating shares include promoting liquidity, tradability and an orderly after-market in the shares of the company.

15.18 Simultaneous issues

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

15.19 Underwriting

The SA private placement will not be underwritten.

16. MINIMUM SUBSCRIPTION

There is no minimum amount, in the opinion of the directors, which is required to be raised in terms of the SA private placement. However, the listing on the JSE is subject to the JSE being satisfied that a sufficient number of shares will be available on the SA share register. The shares which are the subject of the SA private placement are not subject to any conversion or redemption provisions.

SECTION THREE – STATEMENTS AND REPORTS REGULATING THE LISTING ON THE JSE

17. WORKING CAPITAL

The directors of the company are of the opinion that the working capital available to New Frontier is sufficient for the company's present requirements, that is, for at least the next 12 months from the date of issue of this pre-listing statement. As there is no minimum subscription to be raised in terms of the SA private placement, the directors of the company are of the opinion that the working capital is sufficient even in the absence of the SA private placement.

18. MATERIAL CHANGES

18.1 Save for the acquisition of Coastal Building Holdings Limited, there have been no other material changes in financial or trading position of the company since the date of incorporation.

18.2 There has been no significant change in the financial or trading position of New Frontier since 5 June 2014, the date on which the financial information of the company set out in **Annexure 8** was prepared.

18.3 Save for the acquisition of Coastal Building Holdings Limited, there have been no material changes in the business of New Frontier since the date of incorporation.

19. STATEMENT AS TO LISTING ON THE JSE

The JSE has granted New Frontier approval for the listing of all of its issued shares with effect from the commencement of trade on Wednesday, 21 January 2015 on the Alt^x under the abbreviated name: "Frontier", JSE share code: "NFP" and ISIN: "MU0453N00004". The listing on the JSE is subject to the JSE being satisfied that a sufficient number of shares will be available on the SA share register.

SECTION FOUR – ADDITIONAL MATERIAL INFORMATION

20. HISTORICAL FINANCIAL INFORMATION

- 20.1 The historical financial information of New Frontier for the period ended 31 July 2014 is set out in **Annexure 8**.
- 20.2 The preparation of the historical information is the responsibility of the directors. The independent reporting accountants' report thereon is contained in **Annexure 9**.
- 20.3 Given that New Frontier is a newly incorporated company, there is no historical profit or loss information available.

21. PRO FORMA STATEMENT OF FINANCIAL POSITION

- 21.1 **Annexure 10** contains the *pro forma* statement of financial position of New Frontier.
- 21.2 The independent reporting accountants' report on the *pro forma* statement of financial position of New Frontier is set out in **Annexure 11**.

22. DIVIDENDS AND DISTRIBUTION

- 22.1 Subject to the laws of Mauritius, the directors have absolute discretion as to the payment of any dividends, including interim dividends, on the shares. Any dividends will be paid in accordance with the laws of Mauritius. In addition, the directors may, in their discretion, declare scrip dividends in the form of a bonus issue of additional shares in lieu of a cash dividend.
- 22.2 No dividend shall be declared or paid unless the directors are satisfied on reasonable grounds that immediately after the dividend, the value of the company's assets will exceed its liabilities and the company will be able to pay its debts as they fall due.
- 22.3 The directors intend to distribute the majority of the company's earnings to the shareholders, after making provision for expenses and working capital, on a semi-annual basis in respect of the six month periods ending 31 December and 30 June each year.
- 22.4 No dividends have been declared as of the last practicable date.
- 22.5 No shares of the company are currently in issue with a fixed date on which entitlement to dividends arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

23. ACQUISITIONS

Save for Coastal Building Holdings Limited, no other material immovable properties, fixed assets, securities and/or business undertakings have been acquired by the company since incorporation nor are in the process of being or are proposed to be acquired by the company (or which the company has an option to acquire). Coastal Building Holdings Limited has been transferred into the name of New Frontier and none of the assets have been ceded or pledged. Details of the vendors of Coastal Building Holdings Limited are provided in **Annexure 14**.

24. DISPOSALS

No material immovable properties, fixed assets, securities and/or business undertakings have been disposed of by the company since incorporation nor are any of these to be disposed of in the first six months after commencement of the listing on the JSE.

25. **ADVANCES, LOANS AND BORROWINGS**

- 25.1 As at the last practicable date, other than the borrowings related to the property, no material loans were advanced by or to the company (including by the issue of debentures). Details of the borrowings related to the property can be found in **Annexure 8**.
- 25.2 As at the last practicable date, no shareholders' loans were recorded on the company's statement of financial position.
- 25.3 As at the last practicable date, there are no loans receivable outstanding.
- 25.4 As at the last practicable date, there is no loan capital outstanding.
- 25.5 As at the last practicable date, no loans have been made or security furnished by the company to or for the benefit of any director or manager or associate of any director or manager of the company.
- 25.6 At the last practicable date, there were no inter-company loans or other financial transactions.
- 25.7 As at the last practicable date, no charge or mortgage has been created over any assets of the company.
- 25.8 As at the last practicable date, there were no outstanding convertible debt securities.

26. **CORPORATE GOVERNANCE**

The company's corporate governance statement is set out in **Annexure 12**.

27. **LITIGATION**

The company is not involved in any governmental, legal or arbitration proceedings and, in so far as the directors are aware, there are no governmental, legal or arbitration proceedings pending or threatened against them, or being brought by the company since incorporation which may have, or have had in the recent past, being at least the previous 12 months, a material effect on the financial position of the company.

28. **GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW**

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

29. **DIRECTORS' RESPONSIBILITY STATEMENT**

The directors, whose names are given in **Annexure 1**:

- 29.1 have considered all statements of fact and opinion in the pre-listing statement;
- 29.2 collectively and individually, accept full responsibility for the accuracy of the information given;
- 29.3 certify that, to the best of their knowledge and belief, there are no facts the omission of which would make any statement false or misleading;
- 29.4 have made all reasonable enquiries in this regard; and
- 29.5 certify that, to the best of their knowledge and belief, the pre-listing statement contains all information required by law and the JSE Listings Requirements.

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

The company does not have any capital commitments, financial lease payments and contingent liabilities as at the last practicable date, other than in the ordinary course of business.

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

As at the last practicable date, the company does not have any material commitments for the purchase and erection of buildings, plant or machinery.

32. PRINCIPAL IMMOVABLE PROPERTY LEASED OR OWNED

As at the last practicable date, other than the property owned by Coastal Building Holdings Limited, the company does not own any immovable property nor has the company entered into any leases in respect of immovable property.

33. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

New Frontier has obtained approval from the SARB for the listing of its shares on the JSE, which listing is classified as an “foreign inward listing” in terms of the Exchange Control Regulations.

A summary of the Exchange Control Regulations relating to the acquisition of New Frontier shares is set out in **Annexure 13**.

34. TAXATION

Mauritian taxation provisions

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

Under the Mauritian fiscal regime, there are no:

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

34.2 withholding taxes on interest; and

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

34.4 However, the nature and amount of tax payable by the company is dependent on the availability of relief under the various tax treaties in the jurisdictions in which the board chooses to invest from time to time.

35. CONSENTS

Each of the South African corporate advisor, JSE sponsor, SEM authorised representative, independent reporting accountants, auditors, Mauritian company administrator, SA transfer secretaries, independent property valuer and bankers whose names are included in this pre-listing statement have consented in writing and have not prior to publication of this pre-listing statement withdrawn their written consent to the inclusion of their names in the capacity stated.

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

36. DOCUMENTATION AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the company’s registered office and the South African corporate advisors during business hours from date of issue of the pre-listing statement up to and including Wednesday, 21 January 2015:

36.1 the signed pre-listing statement;

36.2 the Constitution of the company and Coastal Building Holdings Limited;

36.3 the letters of consent referred to in paragraph 35 above;

36.4 the material contracts referred to in paragraph 9 above;

- 36.5 the signed independent reporting accountants' reports as presented in **Annexure 9** and **Annexure 11**;
- 36.6 the full independent property valuers report; and
- 36.7 the financial statements of New Frontier for the day ended 31 July 2014, extracts of which are presented in **Annexure 8**.

Signed on 5 December 2014 by Diane Bosman on behalf of all of the directors of New Frontier Properties Ltd.

who warrants that she is duly authorised thereto in terms of power of attorney granted to her on 5 December 2014 by each of the directors of New Frontier Properties Ltd.

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

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

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

Director name, age, nationality and qualification

Role

Business address

Occupation and experience

Directors of New Frontier

Brendon Jones (40); British/South African; Higher Diploma in Human Resource Management, International Capital Markets and Investment Advice Certificate (IAC), Master of Business Administration (MBA)	Chief executive officer	Suite 203, 2nd Floor, La Croisette Grand Baie, Mauritius	Mr Jones was a Director of Maitland (Mauritius) Limited from November 2006 to February 2014. He currently holds a number of executive and non-executive directorships, including Tremont Master Holdings, a mining investment holding company funded substantially by Denham Capital with an advisory relationship with Pangea Exploration (Pty) Ltd since 2011, One Thousand and One Voices Management (Mauritius) Ltd, a pan African Private Equity Fund and Novare Africa Fund PCC, a Mauritian Stock Exchange listed property Fund. His Board role include the review and approval of investment proposals presented by the various investment teams. Mr Jones was business systems manager for Diethelm Travel (Thailand) Limited, in Bangkok in 2005 and 2006, and business analyst for Reuters, London, in 2002. Brendon is the founder of New Frontier.
Daniel Romburgh (32); South African; Bachelor of Commerce (Hons) Financial Analysis and Portfolio Management	Financial director	4th Floor, Protea Place, 40 Dreyer Street, Claremont, South Africa	Mr Romburgh was previously a director of Caledonian Fund Services (South Africa) (Pty) Ltd. His responsibilities included internal and outward management of an international fund administration and accounting service provider. He was previously appointed as accounts manager at Beacon Fund Administrators (Pty) Ltd and was Head of Operations at Drake Fund Advisors (SA) (Pty) Ltd.

Director name, age, nationality and qualification	Role	Business address	Occupation and experience
Gary Ian Fourie (47); South African; B.Comm (Finance)	Executive director	3rd Floor, Palazzo Towers West, Montecasino Boulevard, Fourways, JHB, South Africa	Mr Fourie is currently a director of Billion Asset Management Limited (the external asset manager of the Billion Group) and Ascension Property Management Company (Proprietary) Limited (the external asset manager of the JSE listed Ascension Properties Limited). Mr Fourie joined Billion Group in 2012 as a Chief Investment Officer and his current responsibilities include finding, analysing, presenting, funding, executing and hedging investments (mostly property investments) on behalf of the Billion Group and Rebosis Property Fund Limited. Prior to joining the Billion Group, Mr Fourie worked at Investec Bank South Africa from 2005 in a specialised finance team. The transactions were predominantly property related (residential estates and shopping centres), but he was also involved in black economic empowerment deals, mining transactions and securitization. Mr Fourie was then transferred to Investec Bank Australia in the Property Investment Banking Division where he was involved in the financing property developments in and around Brisbane. Upon his return to South Africa, he headed up the Investec Private Bank South Africa recoveries and property risk division. Prior to that, Mr Fourie worked as a portfolio manager at Coronation Specialised Funds (Proprietary) Limited and at Eskom (the South African electricity public utility) in foreign exchange, commodity dealing, and the risk management sphere.
Peter Todd (55) British/South African; B.Comm, LLB H Dip Tax	Non-executive director	2nd Floor La Croisette Grand Baie Mauritius	Mr Todd qualified as an attorney and then became a senior tax manager at Arthur Anderson and Associates in Johannesburg. He joined TWS Rubin Ferguson in 1993 as a tax partner and was instrumental in listing several companies on the JSE. In 2000, Peter set up Osiris International Trustees Limited in the BVI to provide international trust and corporate administrative services to global clients, as well as Drake Fund Advisors which sets up and administers hedge funds in the BVI and Cayman Islands. He was a non-executive director of Redefine International Limited from initial listing for some nine years.

Director name, age, nationality and qualification	Role	Business address	Occupation and experience
Hendrik Petrus Barnhoorn (46); South African; Chartered Accountant; Master of Business Administration	Independent non-executive director	19th Floor, Newton Tower, Sir William Newton Street, Port Louis, Mauritius	Mr Barnhoorn joined the Geneva Management Group in March 2008, as chief financial officer. From June 2006 to February 2008 he served as financial director for a Property Development Group, based in South Africa. From 1999 to June 2006, he worked for Plantronics Inc, a US-based company listed on the New York Stock Exchange. During this period he held the position of finance manager at the European head office based in the Netherlands, before taken up the position of director accounting and reporting at the group's head office, based in Santa Cruz, California. Mr Barnhoorn is a Chartered Accountant and holds an Executive MBA from the Rotterdam School of Management, the Netherlands, where he passed with distinction.
Diane Bosman (32); South African; BA. LLB	Independent non-executive director	2nd Floor, 30 Charles II Street, London, SW1Y 4AE, United Kingdom	Ms Bosman is a director of Osiris Advisors Ltd in London which is part of the Osiris group, which provides international trust and corporate administrative services to global clients. She acts as legal counsel to the Group, as well as to Drake Fund Advisors, which sets up and administers hedge funds in the BVI, Anguilla and the Cayman Islands. Diane graduated cum laude from the University of Cape Town with a Bachelor of Laws degree, before completing her articles and being admitted as an Attorney, Notary and Conveyancer of the High Court of South Africa.

Directors of Premier Capital

Peter Todd (55) British/South African; B.Comm, LLB, H Dip Tax	Director	2nd Floor La Croisette, Grand Baie, Mauritius	Mr Todd qualified as an attorney and then became a senior tax manager at Arthur Anderson and Associates in Johannesburg. He joined TWS Rubin Ferguson in 1993 as a tax partner and was instrumental in listing several companies on the JSE. In 2000, Peter set up Osiris International Trustees Limited in the BVI to provide international trust and corporate administrative services to global clients, as well as Drake Fund Advisors which sets up and administers hedge funds in the BVI and Cayman Islands. He was a non-executive director of Redefine International Limited from initial listing for some nine years.
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Director name, age, nationality and qualification	Role	Business address	Occupation and experience
Julie Lamberth-Dawson (52) British Bachelor of Art (Econ), Masters in City & Regional Planning	Director	Coastal Building, Wickham's Cay II, Road Town, Tortola, British Virgin Islands	<p>Ms Lamberth-Dawson graduated from the University of Cape Town with a masters' degree specialising in development economics. She moved to London in 1988 and worked in urban regeneration and project finance until her return to South Africa at the beginning of 1997. She has been resident in the British Virgin Islands for over five years.</p> <p>For the past 12 years Ms Lamberth-Dawson has specialised in the Technology, Media & Telecommunications (TMT) sectors, in both the business advisory and corporate finance spheres. She has worked on and led numerous large cross-border transactions, and became an Emerging Market specialist in these areas.</p>

Directors of Coastal Building

Julie Lamberth-Dawson (52) British Bachelor of Art (Econ), Masters in City & Regional Planning	Director 15 July 2011	Coastal Building, Wickham's Cay II, Road Town, Tortola, British Virgin Islands	<p>Julia graduated from the University of Cape Town with a masters' degree in Regional Development Economics. She moved to London from Cape Town in 1988 and worked in large urban regeneration projects until her return to South Africa in 1997.</p> <p>From 1998 Julia specialised in the Technology, Media & Telecommunications (TMT) sectors. She worked on and led numerous large cross-border transactions, and became a recognised emerging markets specialist and technical expert in these sectors. She was a director at both KPMG for nine years and Ernst & Young for seven years.</p> <p>Julia repatriated to the British Virgin Islands in late 2010 with her family and joined Osiris International Trustees Ltd and Drake Fund Advisors Ltd. Julia is responsible for investment management, investment oversight and special projects.</p>
Percy Rhoden (50) British Virgin Islands	Director 8 December 2011	Wickham's Cay II, Road Town, Tortola, British Virgin Islands	<p>Mr Rhoden is a principle in Meridian Construction Company Limited, which he started in 1995 after compiling over 15 years of civil engineering experience. Mr Rhoden, a Jamaican resident of the BVI, was a civil engineer working on high rise construction in New York before moving to the BVI in 1989. From 1989 to 1995 he was the construction supervisor on all major projects for a BVI based civil engineering construction company. Mr Rhoden is a Past President-Elect of the Rotary Club of Tortola and serves on the Board of Trustees at the Tortola Sports Club where he has won several BVI Squash Championships.</p>

The table below lists the companies and partnerships of which each director of the company is currently a director or partner as well as the companies and partnerships of which each director of the company was a director or partner over the five years preceding the pre-listing statement:

Director	Directorships currently held	Directorships held in past five years
Directors of New Frontier		
Brendon Jones	Alphamin Resources Corporation Tremont Services Bsi Steel Africa Ltd Casa Mining Limited Kisenge Limited Armada Limited Jofema Holdings Ltd Tremont Investments Limited Panda Hill Tanzania Ltd Novare Fund Management Limited Novare Fund Manager Limited BPESM I, II and III Phatisa Fund Managers Limited Phatisa Housing Fund Managers Ltd Maitland (Mauritius) Limited Maitland (Mauritius) Corporate Services Ltd Maitland (Mauritius) Management Services Ltd Maitland (Mauritius) Nominees Limited Merlsam Limited Kosto Holdings Ltd Proplease Limited Total Outsourced Management Services Ltd Tremont Company Limited Tremont Incentive Limited New Frontier Properties Ltd	AAF Borrower Limited Abbey One Hundred And Seventy Five Limited Airedale United Investments Limited Allandale Investments Limited Amabubesi International Holdings Amdocs Global Holdings Archer Mobile Africa Ltd Ashuna Limited Astrella Invest (Mauritius) Ltd Atlas Farming Mauritius Ltd Aviation Leasing Company Limited Balise Property Limited Bateleur Investment Group Bilboes Gold Limited Blue Wave Aviation Leasing Ltd Acia Aero Leasing Limited Bridgewater Administration Services Ltd Cahone Mauritius Limited Candu Air Services Ltd Cd One Hundred And Two Investments Limited Chizam Investments Holdings Limited Connectivity Architects Ltd Core2africa Mauritius Ltd Cue Properties Ltd D.Khawuleza Invest (Mauritius) Ltd Dynamic Rail Engineering & Logistic Company Limited Favco International Limited Fertgrowth Limited Flyafrica Limited Globalremit Limited Globaltrack Africa Ltd Great Cente (Mauritius) Ltd Great Oribi Investments Limited Hab International Limited Hansen Investment Corporation Hedgehog Co Investments Limited Hedgehog Ltd Huddersfield Limited International Brand Management & Licensing Africa Limited Inter-Ocean Finance Holding Group Limited Island Africa Investments Ltd Island Projects Limited Jofema Holdings Limited Jt Aviation (Mauritius) Limited Khawuleza (Mauritius) Ltd Kings Haven Ltd Kosto Holdings Limited

Director	Directorships currently held	Directorships held in past five years
		<p>Lipadi Game Reserve Finance Company Limited</p> <p>Magna Mining And Processing Limited</p> <p>Maitland (Mauritius) Corporate Services Limited</p> <p>Maitland (Mauritius) Limited</p> <p>Maitland (Mauritius) Management Services Limited</p> <p>Maitland (Mauritius) Nominees Ltd</p> <p>Marlin Capital Limited</p> <p>Matana Africa Limited</p> <p>Merlsam Ltd</p> <p>Mobiliti Talent Services Limited</p> <p>Montegray Capital Limited</p> <p>Montegray Fund Manager Limited</p> <p>Nautilus Invest (Mauritius) Ltd</p> <p>Ncp International Limited</p> <p>Niko-African Investment Limited</p> <p>Novare Fund Management Ltd</p> <p>Novare Fund Manager Limited</p> <p>One Moja (Kenya) Limited</p> <p>One Thousand & One Voices Management (Mauritius), Ltd</p> <p>One Waterloo Technologies Limited</p> <p>One Zero Two Villa Limited</p> <p>Ozone Technologies (Mauritius) Limited</p> <p>Phatisa Fund Managers Ltd</p> <p>Phatisa Property Fund Managers Ltd</p> <p>Platnic Services Limited</p> <p>Polar Star Management Limited</p> <p>Project Managers And Design Engineers (Pmde) Limited</p> <p>R.Khawuleza Invest (Mauritius) Ltd</p> <p>Rainbow Nation Fund Management Company Limited</p> <p>Rainbow Nation Property Fund Pcc</p> <p>Rand-Asia Trade Finance (Mauritius)Ltd</p> <p>Regis Management Services Ltd</p> <p>Remenham Mauritius Limited</p> <p>Riverbend Trading Limited</p> <p>Savannah Air Services Ltd</p> <p>Seventy Four Hideaways Club (Mauritius) Ltd</p> <p>Sixty Three Hideaways Club (Mauritius) Ltd</p> <p>Soho International Limited</p> <p>South Atlantic Expressions Ltd</p> <p>South Project Invest Ltd</p> <p>South Sea Investments Ltd</p> <p>The Dealmaker Programmes Company Limited</p> <p>Titanium Fund Manager Limited</p> <p>Titanium Funds (Mauritius) Limited</p> <p>Transafrica Asset Control Technologies (Mauritius) Limited</p> <p>Transafrica Media Mauritius Limited</p>

Director	Directorships currently held	Directorships held in past five years
		Transafrika Resources Base And Ferrous Metals Limited Transafrika Resources Gold Limited Transafrika Resources Limited Tremont Master Holdings Tremont Services Turnberry Investments Ltd Upside Ltd Waterloo Intellectual Property Origination Project (Ipop) Limited Wavepoint International Ltd Yorke Investments Ltd
Daniel Romburgh	New Frontier Properties Ltd	Southern View Finance (Mauritius) Limited CFS Fund Services (South Africa) (Pty) Ltd Caledonian Fund Services (South Africa) (Pty) Ltd Tivani Development (Pty) Limited Tzaneen Mining Projects (Pty) Limited First Platinum (Pty) Limited
Gary Ian Fourie	Billion Asset Management Limited Ascension Property Management Company (Proprietary) Limited	–
Peter Todd	Aviation Crew Resource South Africa (Pty) Ltd Botraysa Limited Ciref German Portfolio Limited Daytona Capital Management Ltd Drake Admin Services Limited Drake Fund Advisors Ltd Drake Fund Advisors SA (Pty) Ltd Drake Fund Services Limited Drake Incubator PCC The Hampshire Motor Investment Company Limited Heavy Lift Charters Limited Hover Aviation Insurance Ltd ISIS Corporate Services Ltd ISIS Directorship Services Ltd Jacksons Investments Limited Melrose Venture Capital Holdings Ltd Myapro Investments Pty Ltd North South Mews Ltd Oakfield Venture Capital SPC Ltd Osiris Financial Management Limited Osiris Fund Managers Ltd Osiris Insurance Management Limited Osiris International Trustees Limited Osiris Management Services Ltd. Osiris Secretarial Services Ltd. Premier Capital Managers Ltd Reinsurance Solutions Ltd. Rock Holdings Ltd Starlite Aviation Operations Ltd Starlite Holdings (Pty) Ltd Start Incorp Services Limited Telestream Communications Ltd Worldwide Property Opportunities Ltd	36 South Limited Desideratum Portfolio SPC Limited (Fmly Global Portfolio SPC Limited) Magatar Mining Limited Osiris Advisors Limited Osiris Properties International Limited Redefine International Holdings Limited Southern View Finance UK Ltd Southern View Finance Mauritius Ltd

Director	Directorships currently held	Directorships held in past five years
Hendrik Petrus Barnhoorn	African Innovations Ltd African Wilderness AKR Properties Ltd Avonhurst Ltd AX Futures Ltd BSI Blue Sky International Ltd (MRU) Burger Investment Ltd Cerebral Ltd Chakula Agri-Africa Limited Construction Cost Consultants ltd Control Services Corp. D.T.I. Inc Decade Mineral Holdings DG International Ltd Diaspora Technologies Ltd Etoile Villa Ltd Exelco International Ltd Fruity Holding Company Ltd Gem Diamond Holdings Ltd Gem Diamonds Technology (Mauritius) Ltd Geneva Management Group (Africa) Pty Ltd Geneva Management Group (Luxembourg) SA Geneva Management Group (Mau) Ltd Geneva Management Group (UK) Limited Geneva Management Group Ltd. GMG Corporate Services Ltd GMG Financial Services Ltd GMG Fund Services Ltd GMG Holding & Investment Company Ltd GMG Investments Ltd GMG Trust Company (SA) (Pty) Ltd GMG Trust Ltd GMGI Reed Ltd Gushing Waters Limited H&A Diamonds Ltd Hattron (India) Limited Heavy Lift Charters (Mauritius) Ltd HEBA Consulting Ltd Heidi Holding Company Ltd Homestead Group Holdings Ltd Ideal Manufacturing Ltd Ideal Solution International Ltd Information Delivery Solutions Inline Services Corp International Private Capital (AX Futures) International Private Capital (Class B) International Private Capital SPC Ltd. i-Propeller Software Developers Limited Jakzach Company Limited Jet Demolition Africa Kasha Technologies Limited Life Protect Africa Limited M & M Resources Intertrade Corp. Mascorona Holdings Ltd MB RE Investments Holding Ltd Metalmin Global Resources Limited Metalmin Metals and Minerals Ltd	AfriSwitch Ltd Cassowary Limited Coral Tree Limited Divine Enterprises Ltd Dreadnought Africa Ltd Egon African Holdings Ltd Green Flash Properties Ltd H&A Diamonds Ltd MLM Ltd Onyx Limited Recyclatech International Ltd Smile Telecom Holdings Limited Smile Telecoms IP Limited

Director	Directorships currently held	Directorships held in past five years
	Metalmin Resources Holdings Limited Mid Kent Holding Limited MMP MPY LTD Mozhold New Frontier Properties Ltd Ocean 18 Ltd Paddock Investments Ltd Petromoc Kepu Energy Ltd Phase Holdings Ltd Plan Solaire Micro-Production Ltd Portfolio Advisory and Monitoring Services Ltd Progisys Mauritius Ltd Quickbridge Mauritius Holdings Limited Rainbow Seven Ltd Resources Mining (Mauritius) Limited S1 Residential Holdings Ltd Sahara Sun Investments Ltd Sakhiwo Infrastructure Solutions (Africa) Ltd Sandfields Proprietary Ltd Seadream Holdings Limited Seclaro International Ltd Seven Sides Investments Ltd Sodetour S.à.r.l. Solar4Africa (Mauritius) Ltd Source Africa Ltd Southern Business Solutions (Africa) Ltd Southpark Company Holding Ltd Specialised Infrastructure Solutions Ltd Stabilis Investments Holdings Limited Summer House Investments Ltd The 21st Dimension Group Three Party Holdings Ltd TRP (UK) LTD. Techno Fun Ukhozi Management Services Ltd Uniglobe Travel Ltd Universal Interiors Limited Victory Slots Ltd W.V.R.E (Mauritius) Limited Walkerbout Property Investments Ltd WE Property (UK) Ltd West Island Development Ltd Westfield Consulting Services Limited ZambeGile Holdings Ltd Zambezi Energy Corporation Holdings 1 Limited Zambezi Energy Corporation Holdings 2 Limited Zimbabwe Investments Ltd	
Diane Bosman	New Frontier Properties Ltd Osiris Advisors Ltd	Telestream Communications UK Ltd Daytona Capital Management Ltd

Director	Directorships currently held	Directorships held in past five years
Directors of Premier Capital		
Julie Lamberth-Dawson	Coastal Building Holdings Limited Drake Incubator PCC Drake investment managers Limited Premier Capital Managers Limited Redefine International Feeder Fund Ltd Beretta Finance Ltd* BNRI Earls Court Limited* Churchill Court Limited* Ciref Ashtead Ltd* Ciref Coventry Ltd* Ciref Crawley Investments Ltd* Ciref Crawley Limited* Ciref Jersey Limited* Ciref Malthurst Ltd* Ciref Reigate Ltd* Ciref Streatham Ltd* Coronation Group Investments Limited* Double B Investments Ltd* Gibson Property Holdings Ltd* Golden Eagle Innovations Ltd* Greyhound Investing Corp* KSP Investments Ltd* Melrose Venture Capital Holdings Ltd* Newington House Limited* Redefine Enfield Limited* Redefine Harrow Limited* Redefine Hotels Portfolio 1 Ltd* Redefine Hotels Portfolio 2 Ltd* Redefine Hotels Portfolio III Ltd* Redefine Hotels Portfolio IV Ltd* Redefine Hotels Portfolio V Ltd* Redefine Hotels Portfolio VI Limited* Redefine Hotels Reading Limited* Redefine Wigan Limited* Seaham Wax Limited* Silberhorn Management Services Ltd* St Georges Harrow Limited* Streatham Property Holdings Ltd* Swansea Estates Ltd* Tola Management (PTC) Limited* Tritam Investments Ltd* Trito Blackpool Limited* Trito Gibson Limited* Trito Kwik-Fit Limited* Trito Newport Limited* West Orchards Coventry Limited* Weston Favell Limited* * Denotes an alternate directorship	Osiris Properties International Ltd Southern View Finance Ltd
Peter Todd	As detailed in above table.	–

2. REMUNERATION OF DIRECTORS OF NEW FRONTIER

The remuneration and benefits to be paid by the company to the directors of New Frontier in their capacity as directors (or in any other capacity) for the financial period from inception until 31 December 2014 will be as set out below:

Director	Basic salary US\$	Directors' fees	Other fees	Performance bonus	Expense allowance	Other material benefits	Pension scheme contributions	Commission	Shares or share options or similar rights	Share of profit	Total US\$
Brendon Jones	2 000	–	–	–	–	–	–	–	–	–	2 000
Peter Todd	–	–	–	–	–	–	–	–	–	–	–
Hendrik Barnhoorn	–	–	–	–	–	–	–	–	–	–	–
Daniel Romburgh	2 000	–	–	–	–	–	–	–	–	–	2 000
Diane Bosman	–	–	–	–	–	–	–	–	–	–	–
Gary Fourie	2 000	–	–	–	–	–	–	–	–	–	2 000
	6 000	–	–	–	–	–	–	–	–	–	6 000

2.1 As the company was only incorporated on 5 June 2014 no fees have been paid to the directors of the company as at the last practicable date.

2.2 As at the last practicable date, no fees are paid or accrued as payable to a third party in lieu of directors' fees.

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

3. EXECUTIVE FINANCIAL DIRECTOR

The audit committee has considered and satisfied itself that Daniel Romburgh, being the financial director of New Frontier, has the appropriate experience and expertise to fulfil this role.

4. DIRECTORS' INTERESTS IN SECURITIES

4.1 New Frontier's directors' interests in New Frontier

As at the last practicable date, Brendon Jones owns 938 736 ordinary New Frontier shares, being 100% of the issued share capital of New Frontier. Other than Brendon. Jones, no other directors of New Frontier (including directors who have resigned in the last 18 months), are, directly or indirectly, beneficially interested in New Frontier shares in issue at the last practicable date, before the listing on the JSE and the SA private placement.

4.2 Premier Capital directors' interests in New Frontier

No directors of Premier Capital (including directors who have resigned in the last 18 months), are, directly or indirectly, beneficially interested in New Frontier shares in issue at the last practicable date, before the transaction.

5. DIRECTORS' INTERESTS IN TRANSACTIONS

5.1 Other than the sale of Coastal Building Holding Limited by Brendon Jones to New Frontier, the directors of the company and investment manager have no beneficial interest in transactions entered into by the company or the investment manager:

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

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

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

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

7. TERMS OF OFFICE

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

8. DIRECTORS' DECLARATIONS

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

- 8.1 been a director of a company that has been put into liquidation or been placed under business rescue proceedings or had an administrator or other executor appointed during the period when he was (or within the preceding 12 months had been) one of its directors, or alternate directors or equivalent position, other than the instances listed here in 8.1:
 - 8.1.1 Henrik Barnhoorn was a director of the following companies that have been put into voluntary liquidation and are still in the process: Metalmin Metals and Minerals Ltd, Metalmin Resources Holdings Limited and Metalmin Global Resources Limited.
 - 8.1.2 Peter Todd was a director of Modus Blackpool Ltd until his resignation in December 2009. Modus Corovest Blackpool Ltd was placed in liquidation in August 2009 as its Irish bankers refused to convert its construction bond into a mortgage bond in light of the Irish banking crisis. No adverse finding was made;
- 8.2 either themselves or any company of which he was a director or an alternate director or officer at the time of the offence, been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the South African Companies Act;
- 8.3 been removed from an office of trust, on grounds of misconduct, involving dishonesty;
- 8.4 been disqualified by a court from acting as a director of the company, or from acting in management or conduct of the affairs of any company;
- 8.5 been appointed as a director of an Alt^x company;
- 8.6 been convicted of an offence resulting from dishonesty, fraud, theft, perjury, misrepresentation or embezzlement;
- 8.7 been adjudged bankrupt or sequestrated in any jurisdiction;
- 8.8 been a party to a scheme of arrangement or made any other form of compromise with his creditors;
- 8.9 been found guilty in disciplinary proceedings, by an employer or regulatory body, due to dishonest activities;
- 8.10 had any court grant an order declaring him to be a delinquent or placed such director under probation in terms of section 162 of the Companies Act and/or 47 of the Close Corporations Act, 1984 (Act No. 69 of 1984) or disqualifying him to act as a director in terms of Section 219 of the Companies Act, 1973 (Act No. 61 of 1973) of South Africa;
- 8.11 been barred from entry into any profession or occupation;
- 8.12 been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act;
- 8.13 has received any official public criticisms by any statutory or regulatory authorities (including recognised professional bodies);

8.14 entered into any compulsory liquidations, bankruptcies, insolvencies, individual voluntary compromise arrangements, administrations or partnership voluntary arrangements of any partnerships where such person is or was a partner at the time of or within the 12 months preceding such event; or

8.15 entered into receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event.

9. CONSTITUTION

The relevant extracts of the Constitution of the company providing for the appointment, qualification, retirement, remuneration and borrowing powers of the directors and the power enabling a director to vote on a proposal, arrangement or contract in which he is materially interested are set out in **Annexure 12**.

10. BORROWING POWERS

The borrowing powers of the company and its subsidiaries exercisable by the directors are unlimited and, accordingly, have not been exceeded since incorporation of the company. As at the last practicable date, the company does not have any exchange control or other restrictions on the borrowing powers of the applicant or any of its subsidiaries. No debentures have been created.

11. THIRD PARTY MANAGER

Save for GMG's appointment as the company administrator, and Premier Capital as the asset manager, no business of the company nor any of its subsidiaries nor any part thereof is managed to be managed by any other third party under a contract or arrangement.

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

Save for GMG's appointment as the company administrator, there are no existing or proposed contracts (whether written or oral) relating to directors or managerial remuneration, restraint payments, royalties or secretarial and technical fees.

13. DIRECTORS' EMOLUMENTS

13.1 Under the arrangements in force as at the date of this pre-listing statement, the aggregate remuneration and benefits in kind receivable by the directors and proposed directors of the company for the financial year ended 31 December 2014 was nil. As the company was only incorporated on 5 June 2014 the directors have not been paid any other fees by the company.

13.2 As at the last practicable date, the company did not have any share option scheme in place.

14. SHAREHOLDERS OF PREMIER CAPITAL

Osiris Secretarial Services Ltd (Registration number 399761 and incorporated in BVI) is the only shareholder of Premier Capital. Osiris Secretarial Services Ltd only acts as shareholder of Premier Capital.

SALIENT TERMS OF THE INVESTMENT MANAGEMENT AGREEMENT AND OTHER THIRD PARTY SERVICE PROVIDERS

The investment management agreement contains terms and conditions customary for an agreement of its nature. Key terms of the investment management agreement are outlined below.

New Frontier and the investment manager entered into an investment management agreement on 6th June 2014. The salient terms of the Investment Management Agreement are set out below:

1. New Frontier appointed the investment manager to manage the investment and re-investment of the assets of the company.
2. In connection with such appointment, the investment manager is to perform a number of investment management duties, development management duties and property management duties. Further to its investment management duties, the investment manager is to advise the group of any recommended property acquisition or property disposal.
3. The investment manager has been appointed for a period of 10 years, with an option to renew for a further five-year period.
4. The investment manager will have an incentive to maximise the performance of New Frontier's properties, thus aligning its interests with those of shareholders.
5. The fees which apply at the date of this pre-listing statement are as follows:
 - 5.1 New Frontier will pay the investment manager an annual fee up to a maximum of one percent (1%) of the enterprise value of New Frontier ("**asset management fee**");
 - 5.2 there will also be an acquisition fee equal to one percent (1%) of the gross asset value of the assets being acquired by New Frontier ("**acquisition fee**"); and
 - 5.3 In connection with any development, material renovation, refurbishment, or redevelopment of a property, as the case may be, the investment manager will be entitled to a fee for the overseeing thereof, equal to a minimum of one percent (1%) of the value thereof (the "**development watching fee**").
6. Termination
 - 6.1 New Frontier or the investment manager may terminate the investment management agreement forthwith by notice in writing to the other party to the investment management agreement if at any time:
 - 6.1.1 New Frontier or the investment manager shall go into liquidation (except for a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the other party) or if a receiver is appointed in respect of any of the assets of the other party or if an examiner is appointed to either party;
 - 6.1.2 New Frontier or the investment manager shall commit any breach of the provisions of the investment management agreement and (if such breach shall be capable of remedy) shall not have remedied that within thirty days after the service of notice requiring it to be remedied.
 - 6.2 New Frontier or the investment manager may terminate the investment management agreement forthwith by notice in writing to the other party to the investment management agreement if at any time any law shall be passed or any regulation made which renders it illegal or in the reasonable opinion of the party so terminating impracticable or inadvisable for the investment management agreement to continue in force.

- 6.3 Shareholders of New Frontier may pass a special resolution in a general meeting in terms of which they cancel the investment management agreement, which cancellation is subject to the a termination fee.
7. If New Frontier elects to terminate the investment management agreement New Frontier will be obligated to pay the investment manager by way of compensation for the relinquishment of an income-generating asset, the sum of the an amount equal to the acquisition fees payable to the investment manager and the net present value of the asset management fee for a period of ten years, using discount rate equivalent to the bank overdraft rate (being the publicly quoted basic rate of interest published by New Frontier's bankers as being its overdraft rate).

Other third-party service providers

In addition, it is envisaged that the company will outsource a number of functions to specialist third-party service providers. Such service providers may include without limitation: property managers; investor relations managers; company administrators; legal counsel; accountants and auditors; and bankers. The company may also employ the services of a global securities broker and custody for the trading and custody of listed, unlisted, over the counter securities, and corporate or real estate bonds.

In this regard, the board of New Frontier will engage only with reputable, internationally-recognised institutions with established track records for the provision of such services.

COMPANY STRATEGY, PROCESS AND OPERATIONS

1. OVERVIEW

New Frontier has been established with the primary objective of acquiring and developing good quality income generating property assets primarily situated in frontier markets outside South Africa but will pursue strategic opportunities in developed markets on an opportunistic basis.

New Frontier is led by a team of individuals with significant experience in real estate and fund management, and having sufficient and satisfactory experience in the management of global businesses, which experience is substantiated in the details of directors, including their various board appointments, set out in **Annexure 1**.

New Frontier has been established in Mauritius in order to take advantage of Mauritius' business friendly infrastructure, its tax regime and the double taxation avoidance agreements that Mauritius has negotiated with many of the jurisdictions in which the company intends to invest. It is envisaged that a listing on the SEM will provide access to a global investor base of managed funds, high net worth individuals and other sources of capital who view Mauritius as an attractive investment destination.

2. INVESTMENT POLICY

New Frontier has undertaken to focus on a two-fold strategy: income generating assets and development assets.

– *Income generating assets*

The income generating assets will comprise completed buildings, held directly or indirectly. New Frontier will target income generating properties with strong sustainable income from high quality tenants with strong likelihood of renewal of leases on expiry. Not only will the income generating assets provide investors with a satisfactory yield, but they will also provide New Frontier stable income and balance sheet strength for the company to responsibly secure and fund high-growth opportunities within developments.

– *Development assets*

Developments will comprise greenfields developments of land or brownfields developments by refurbishment, upgrade or other improvement to existing office, mixed use, retail and light industrial properties.

The company's investments may be held through subsidiaries incorporated in various jurisdictions for the purpose of maximising tax efficiencies of the company's investments.

New Frontier's strategy is to have 50% by value of the company's assets in income generating assets and 50% in developments. New Frontier's weighting of investments to developments, its re-investment of profits from rentals or occasional disposals, and its retention of completed developments as investments rather than their sale and resultant realisation of development profits, are intended to optimise long-term sustainable capital growth and enhance total returns to shareholders.

Geographically, the company will target assets primarily situated in frontier markets outside of South Africa but will pursue strategic opportunities in developed markets on an opportunistic basis.

Investments in listed property securities may be made from time to time where this justified by pricing differentials between direct property and property securities; however the majority of assets will comprise fixed properties.

The company's medium-term target is to grow its gross asset value to USD300 million by the end of the financial year ended 31 December 2017. The company will target total investment returns in excess of 9% p.a. net to investors through a combination of income and capital appreciation.

The following criteria will be considered in evaluating each new investment opportunity:

- Quality, location and durability of assets;
- Core sustainable income flows, existing and projected occupancy rates and tenant covenant strength;
- Opportunities for asset enhancement through active management, including new lettings, refurbishment and development;
- Rental yield spread relative to fixed rate borrowing costs and key valuation and financing metrics; and

- Proper evaluation of a multitude of risk factors, including security of income, tenant covenants, residual values, the physical condition of the properties, loan-to-value and interest covenants and maturity profiles in respect of leveraged purchases.

2.1 **Sector focus**

The company will not be restricted to investing in one particular real estate sector, however it is anticipated that the company will initially seek real estate opportunities across commercial, industrial and retail sectors.

2.2 **Geographic focus**

The primary geographic focus of primarily frontier markets out of South Africa, with a particular focus on the rest of Africa but will pursue strategic opportunities in developed markets on an opportunistic basis. The directors of New Frontier believe attractive real estate investment opportunities exist in this region through fundamentally sound property portfolios which offer attractive yields.

2.3 **Funding policy**

It is anticipated that the fund will be geared, with an expected Loan-to-Value (“**LTV**”) ratio of a maximum of 60%. Access to debt funding in Mauritius and Africa in particular has improved, with banks becoming more receptive to lending at levels of 45% – 60% LTV, after tightening the availability of credit in 2011. The interest rate environment is also reasonably benign, and with fixed rate debt priced off 3 – 5-year government bonds, it is possible to borrow at interest rate levels of approximately 5% – 8% for five years. It is anticipated that the company will manage its interest rate risk by entering into derivative contracts to hedge its interest rate exposure. The target hedging ratio is expected to vary with economic and interest rate cycles.

SUMMARY OF THE PROPERTY VALUATION REPORT

18 June 2014

The Directors
Coastal Building Holdings Limited
Box 2221, Road Town
Tortola, British Virgin Islands

Dear Sirs:

Waters Edge: The Coastal Building

Sub-leasehold interest in Parcel 89/2/1/1 and Parcel 85/1/2/1, Block 2938B, Road Town Registration Section

In accordance with your instructions, we have carried out an inspection and analysis of the above property. The purpose of this report is to estimate the fair value of the subject. The property was inspected on 16 June 2014. The client is Coastal Building Holdings Limited.

The report is required for financial reporting purposes in connection with the listing of a parent company which holds the shares of Coastal Building Holdings Limited. The report is not intended for any other use and we cannot accept responsibility to any third party for the whole or any part of its contents.

This report has been prepared in accordance with *Valuation – Professional Standards 2014* published by the Royal Institution of Chartered Surveyors, with the definition of fair value contained in IFRS 13, published by the *International Valuation Standards 2013* and with the terms of engagement.

The subject is a two storey commercial office building of approximately 4 980 square feet located on a site of approximately 3 829 square feet (0.088 acres). The subject property comprises Parcel 89/2/1/1 and Parcel 85/1/2/1, Block 2938B Road Town Registration Section. We value the leasehold interest in the subject as defined by the sub-lease, which has a remaining term of approximately 58½ years at the date of valuation (leases expire 99 years from 2 January 1974 i.e. 1 January 2073).

Having regard to the matters referred to in this report, we are of the opinion that the fair value of the leasehold interest in the subject property as of 16 June 2014 assuming that it is free and clear of all mortgages and charges, and subject to the special assumptions and limiting conditions contained in this report, would be fairly represented in the following figure:

\$1 700 000 (ONE MILLION SEVEN HUNDRED THOUSAND US DOLLARS)

This estimate of value is subject to, and can only be fully understood when read in conjunction with, the special assumptions listed below. Critically, we assume that the subject property benefits from parking rights located on Parcel 89/2/1 at no cost to Coastal Building Holdings Limited.

We estimate a reasonable exposure time for the subject of 12 months.

Neither the whole nor any part of this report nor any reference thereto may be included in any published document, or referred to in any way without our prior written approval of the form and context in which it may appear.

Yours faithfully

A.J.C Campbell FRICS (membership number: 0068414) External Valuer

Smith Gore BVI Ltd

PO Box 135, Road Town, Tortola, British Virgin Islands

Client	Coastal Building Holdings Limited
Purpose of Valuation	To estimate the fair value for the subject for financial reporting purposes in connection with the listing of a parent company which holds the shares of Coastal Building Holdings Limited.
Legal Description:	The subject property comprises Parcel 85/1/2/1 and Parcel 89/2/1/1, Block 2938B Road Town Registration Section.

Interest Appraised	We value the leasehold interest of Coastal Building Holdings Limited as Lessee under a lease from Pasea Investments Limited. The lease has approximately 58½ years remaining unexpired at the date of valuation (lease expires 1 January 2073).
Location	Wickham's Cay II, Road Town, Tortola, British Virgin Islands
Type of Property	The subject is a two storey commercial office building of approximately 4 980 square feet located on a site of approximately 3 829 square feet (0.088 acres).
Land Area	3 829 square feet (0.088 acres)
Improvements	Two storey office building containing approximately 4 980 square feet.
Basis of Value	The Basis of Value is "Fair Value", defined as follows: "The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date." (International Financial Reporting Standards IFRS 13)
Date of Inspection	16 June 2014
Effective Date of Value	16 June 2014
Date of Report	18 June 2014
Highest and Best Use	Continue to hold as an investment.
Fair Value Conclusion	\$1 700 000 (ONE MILLION SEVEN HUNDRED THOUSAND US DOLLARS)
Special Assumption	This estimate of value is subject to, and can only be fully understood when read in conjunction with, the special assumptions listed below.
Reasonable Exposure Time	12 months

Special Assumptions:

The value conclusions contained in the report are subject to the following special assumptions:

- We assume that the ground rent payable for the Head Leases for the subject property will remain at the current estimated rate of \$12 736 per year through the term of the lease, subject only to adjustment for inflation at the rent review dates contained in the sub-lease agreements. In the event that Wickhams Cay Development Authority seeks to adjust the ground rent in accordance with the terms of the Superior Lease, this would have a significant effect on the value of the leasehold interest in the subject property.
- We understand that Pasea Investments Limited has agreed to provide parking for the Coastal Building at no cost to Coastal Building Holdings Limited. We recommend that this obligation is confirmed in writing and recorded against the title.
- We have been provided only with outline terms for the lease to Osiris International Trustees Ltd. We assume that this is a typical net lease at the stated rent with a service charge based on actual costs including the items identified as "recoverable operating expenses" under the discussion of operating expenses in the valuation section of this report.
- To arrive at an "as-is" value for the subject property, we make a deduction of \$50 000 from the value on completion to allow for the cost of installing a fire escape to the upper floor and adjusting the electrical system for the lower floor to allow the operation of the air conditioning system.
- In the Land Register, on the pages for Parcels 85 and 89, a note is made that Tortola Investment Trust Limited is "to be informed before any dealings" and refer to Instrument 729/1976 (see the copy of the Land Register for Parcel 89, appended to this report). Subject to legal advice, these appear to be historic entries that are no longer applicable and we assume the same for the purposes of the report. We recommend that this is confirmed by a legal opinion.
- The subject property forms part of an area that has been used as a boatyard for many years. We have not been provided with any environmental report for the subject but assume that the property is free and clear of environmental contamination that would require any special treatment or clean up.
- According to a letter dated 10 October 2012 from Virgin Islands Surveying, provided to us by Meridian Construction, the second and third levels of the Meridian Building encroach two feet onto the site of the Coastal Building. Subject to legal advice, we recommend that any lender ensures that this encroachment is formally agreed and recorded on the title. We make no allowance for any costs associated with this encroachment.

- The Superior Leases contain restrictions on user. This valuation is predicated on the understanding that the Crown has no objection to the continued use of the subject property as a commercial office.

General principles of the valuation report

Town Planning

The title documents for the subject property, including conditions and restrictions, have been reviewed in the detailed valuation report and the property has been checked against such conditions and restrictions. Subject to legal advice and to the special assumptions noted above, we are not aware of any infringements of the conditions or restrictions contained in the title.

The building constructed on the subject property was originally constructed in 1992 and was renovated to its current condition in 2012/13. We have been advised that planning consent was obtained for the original construction in 1992 but that Planning Authority consent and Building Authority consent were not required for the renovation in 2012/13. We are not aware that the building contravenes any Planning or Building Authority regulations.

High Level Summary of the of Leases

Coastal building: Rent roll								
	Level	From	To	Type	Gross SF	PM	PA	PSF
Osiris International Trustees Limited	2	Oct 13	Sep 22	Net	2 420	\$8 333	\$100 000	\$41.32
Heritage Trust Services (BVI) Limited	1	Jan 14	Jan 19	Net	1 257	\$3 666	\$43 995	\$35.00
Redefine BDL Hotel Group (Unit 1)*	1	Jan 14	Dec 14	Semi-gross	207	\$1 500	\$18 000	\$86.96
Ciref Europe (Unit 2)*	1	Jan 14	Dec 14	Semi-gross	287	\$1 500	\$18 000	\$62.72
GMG BVI Limited (Unit 3)*	1	Apr 14	Mar 15	Net	282	\$1 000	\$12 000	\$42.55
Premier Capital Managers Ltd (Unit 4)*	1	Jun 14	May 15	Semi-gross	288	\$2 000	\$24 000	\$83.33
Totals					4 741	\$18 000	\$215 995	\$45.56

**Leases are full service, with a recovery of a service charge of \$150 per month with the exception of Unit 3 which contains provision for recovery of "ad hoc" service charge, which we interpret to mean full pass through of operating expenses*

Year Built

The building was originally constructed in 1992. The building was completely renovated in 2012 – 2013 with the work being substantially completed in the fourth quarter of 2013. The installation of a pre-fabricated fire escape for the upper floor remains outstanding.

Valuation Approach and Reasoning

We develop the income capitalisation and cost approaches to estimate the fair value of the Coastal Building. There have been no recent, arm's-length, comparable building sales of commercial buildings and therefore we do not develop the sales comparison approach.

Extent of Investigation

We have carried out enquiries and an inspection of the subject property to determine the general characteristics, use and overall dimensions of the land and any buildings, the apparent construction and accommodation of any buildings, their approximate age, state of repair and condition as well as utilities available to the property. We rely upon plans and schedules provided to us for dimensions, areas, utilities, details of construction and age of improvements.

We have gathered the market data necessary to estimate the fair value of the subject property. We have prepared a narrative report summarising our conclusions, including a summary of the data used in the analysis and the methodology used to arrive at the value.

Nature and source of information to be relied upon

We rely upon information gathered during our inspection and the following information to provided to us:

- Executed lease to Osiris International Trustees Limited
- Executed lease to Heritage Corporate Services
- Executed lease or Heads of Terms for proposed lease of the lower
- Floor by Osiris International Trustees Limited.
- Schedule of operating expenses

- Details of insurance premium and current coverage
- Cost to complete any outstanding works
- The latest ground rent statement received from the head lessee.

Vacancy Allowance Assumption

We make a 2.0% vacancy allowance to reflect the long term vacancy for the building, allowing for an average lease-up time of 4 months and a 75% probability of renewal at rollover.

There has been no income loss due to time delays to complete refurbishments.

Adjustment for Above Market Rent

A part of the subject property is currently leased on short term leases at above market rents. However, when the cost of vacancy at the end of the above market leases is taken into account, the difference between the contract rent and market rent is nominal and therefore, we make no adjustment for above market rent.

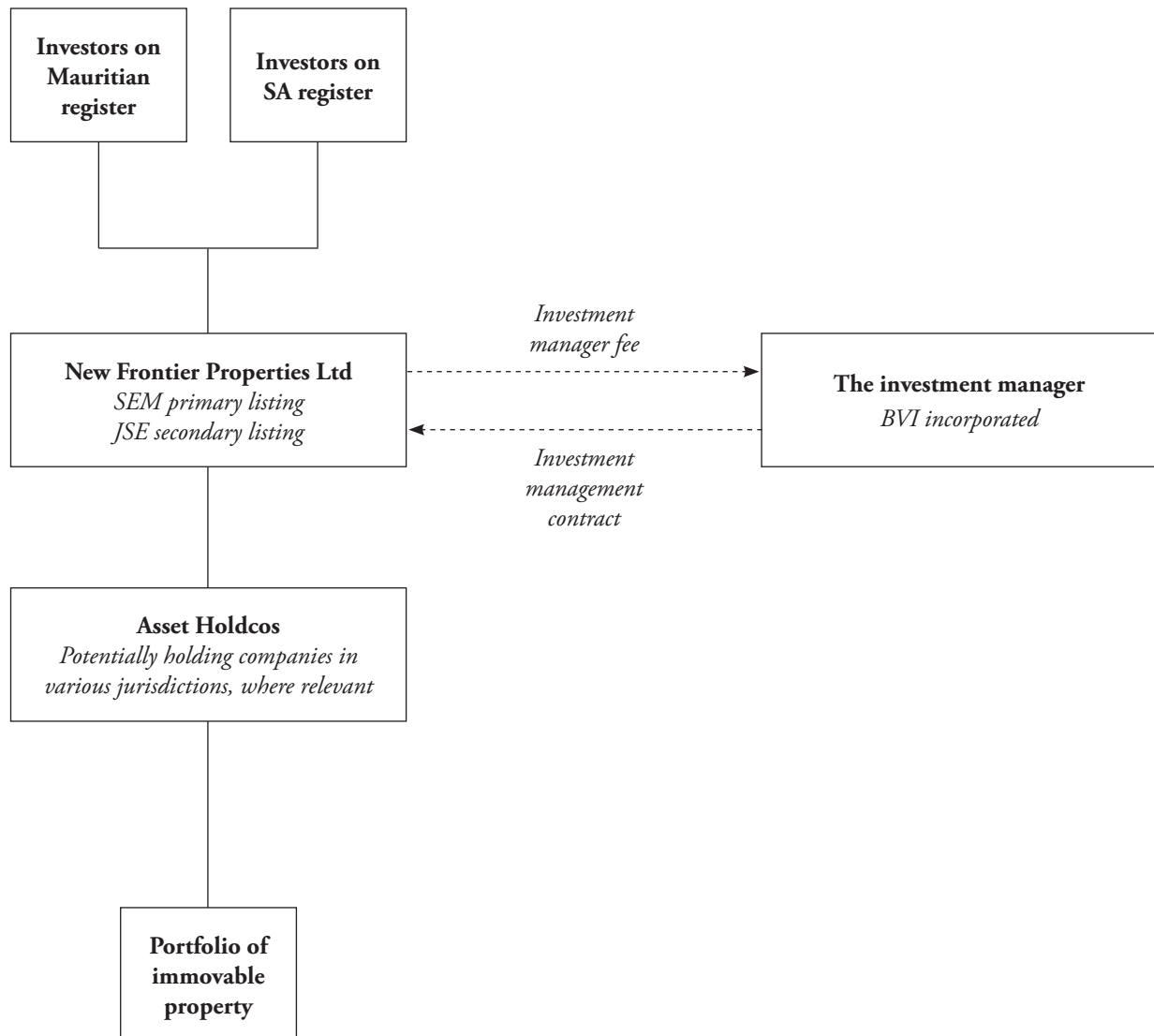
Valuation Qualifications

The valuation is made subject to Special and General Assumptions identified in the report. The reported values are further qualified as a consequence of:

- leases under negotiation, but not formalised in writing;
- uncertainties as to the letting or re-letting of the premises; and
- the value contingent upon the ability of the anchor tenant to meet rental obligations.”

STRUCTURE OF NEW FRONTIER

The proposed structure of New Frontier after the listing on the JSE is set out below:



SHARE CAPITAL AND SHAREHOLDING

1. MAJOR AND CONTROLLING SHAREHOLDERS

As at the date of the Listing Particulars, Brendon Jones is the sole shareholder of the company.

Insofar as is known to the company, the major shareholders who will (directly or indirectly) beneficially hold 5% or more of the issued share capital of the company, immediately after the SA private placement and the listing on the JSE will be known after the SA private placement. The major shareholders of the company after the SA private placement will be included in the results of SA private placement released on SENS on Friday, 16 January 2014.

2. SHARES ISSUED OTHERWISE THAN FOR CASH

As at the last practicable date, with the exception of the 5 000 ordinary shares issued to Brendon Jones, no shares have been issued or agreed to be issued otherwise than for cash by the company since incorporation. Subsequent to the issue of 5 000 shares to Brendon Jones, the shares were subdivided resulting in there being 938 736 ordinary no par value shares in issue.

3. COMPANY'S SHARE CAPITAL

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

Stated capital	USD
<i>Issued shares</i>	
938 736 ordinary no par value shares	938 736
Total	938 736

3.2 The issued share capital of the company immediately after the SA private placement is as follows:

Stated capital	USD
<i>Issued shares</i>	
1 938 736 ordinary no par value shares	1 660 868
Total	1 660 868

3.3 The company does not hold any shares in treasury.

3.4 The shares of the company are under the control of the directors of the company. In terms of Clause 4.1 of the Constitution, the members in general meeting may authorise the board to issue shares and/or grant options at any time to any person. On 5 June 2014, the shareholders of the company passed a resolution authorising the board to issue up to 1 000 000 shares and that such authority given to the directors shall be valid for a period of twelve months from the date of the JSE listing or until the company's first annual general meeting of its shareholders.

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

3.6 In terms of Mauritian law, the company does not have authorised share capital.

3.7 The holders of shares are entitled to one vote on all resolutions of shareholders. The shares are subject to redemption, purchase or acquisition by the company for fair value with the consent of the relevant shareholder and requisite regulatory authority. Shares have equal rights to dividends and distributions of the surplus assets of the company.

4. ALTERATIONS TO SHARE CAPITAL OF THE COMPANY

- 4.1 The company was incorporated on 5 June 2014 with a share capital of 1 000 no par value shares.
- 4.2 With effect from 5 June 2014, the company issued an additional 4 000 no par value shares pursuant to the Coastal Building sale agreement.
- 4.3 The shares issued as described in paragraph 4.1 and 4.2 of this annexure were issued to Brendon Jones under the authority described in paragraph 3.4 of this annexure.
- 4.4 As at the last practicable date, Brendon Jones is the only shareholder in New Frontier.
- 4.5 On 6 October 2014, the board of directors resolved to subdivide the total number shares in issue (being 5 000 ordinary no par value shares) resulting in there being 938 736 ordinary no par value shares in issue.
- 4.6 As at the last practicable date there have been no further alterations to the company's share capital. Accordingly:
 - 4.6.1 there has been no consolidation or other subdivisions of shares in the company since incorporation;
 - 4.6.2 no offer for shares in the company was made to the public since incorporation;
 - 4.6.3 no share repurchases were undertaken by the company since incorporation; and
 - 4.6.4 there has been no amount payable by way of premium on any share issued by the company since incorporation.
- 4.7 The company has its primary listing on the SEM and will have a secondary listing on the JSE.

5. FOUNDERS AND MANAGEMENT SHARES

- 5.1 There are no deferred shares.
- 5.2 Other than the shares held by Brendon Jones, there are no shares held as at the listing date by founders and other directors of the company.
- 5.3 As at the last practicable date, none of the directors of New Frontier and the promoters have a material interest in any acquisition or disposal of any properties.

6. OPTIONS AND PREFERENTIAL RIGHTS

- 6.1 There are no preferential conversion, redemption and/or exchange rights in respect of any of the shares or other securities.
- 6.2 There are no contracts, arrangements or proposed contracts or arrangements whereby any option or preferential right of any kind was or is proposed to be given to any person to subscribe for or acquire any shares in the company.

7. FRACTIONS

No fractions of shares have been issued.

EXTRACTS FROM THE CONSTITUTION OF THE COMPANY

“4 CAPITAL

- 4.1 Subject to the provisions of paragraph to 18 hereinafter, the Members of the company (the “Members”) in general meeting may authorise the board to issue shares and/or grant options at any time to any person and in any number as it thinks fit pursuant to Section 52 of the Companies Act 2001.
- 4.3 The company may from time to time increase or reduce its capital and to issue any shares in the original or increased or reduced capital with such preferred or deferred, qualified or other special rights or restrictions whether in regard to voting, dividend, return of capital or otherwise as the company may determine subject always to the Companies Act of 2001.

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

“10 TRANSFER OF SHARES

- 10.1 Subject to the provision of this Constitution, where shares are listed on the SEM or on another securities exchange, the shares of the company shall be freely transferable and free from any lien. Each Member may transfer, without payment of any fee or other charges, save Brokerage Fees payable in relation to such transfer, all or any of his shares which have been fully paid.
- 10.2 For so long as the company shall be admitted for listing on the SEM, a Member wishing to transfer its shares, shall where physical Share Certificates have been issued to that Member, cause its shares to be dematerialised.
- 10.3 For so long as the company shall be admitted for listing on the SEM, all shares transferred must be in the dematerialised form and must be conducted through the Automatic Trading System in accordance with the Trading Procedures.
- 10.4 In respect of shares held in certificated form and where such shares have not been listed on the SEM, every instrument of transfer shall be executed by or on behalf of the transferor. Every instrument of transfer shall be left at the registered office of the company (or such other place as the board may from time to time determine) at which it is presented for registration accompanied by the certificate of the shares so transferred, and/or such other evidence as the company may require, to prove the title of the transferor of his rights to transfer the shares. All authorities to sign instruments of transfer granted by Members exhibited with or to the company at its registered office (or such other place as the Board may from time to time determine) shall, as between the company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect and the company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the company’s registered office (or such other place as the board may from time to time determine) at which the authority was lodged, produced or exhibited. Even after the giving and lodging of such notice, the company shall be entitled to give effect to any instrument signed under the authority to sign, and certified by any officer of the company, as being in order before the giving and lodging of such notices. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

10.5 Transmission of shares

- 10.5.1 If title to a share passes to a Transmitttee, the company may only recognise the Transmitttee as having any title to that share.
- 10.5.2 A Transmitttee who produces such evidence of entitlement to shares as the directors may properly require:
- 10.5.2.1 may, subject to the provisions of this Constitution choose either to become the holder of those shares or to have them transferred to another person; and

- 10.5.2.2 subject to the provisions of this Constitution, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 10.5.3 Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares."
- 10.6 The company shall not be bound to register more than four persons as the joint holders of any share or shares and in the case of a share held jointly by several persons. The company shall not be bound to issue more than one certificate therefor (where applicable), and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
- 10.7 The company shall not take any action to sell the shares of member who is untraceable unless:
 - 10.7.1 during a period of 12 years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and
 - 10.7.2 on expiry of the 12 years the company gives notice of its intention to sell the shares by way of an advertisement published in at least two widely circulated daily newspapers and notifies the SEM of such intention."

“12 DIRECTORS

12.1 Number

- 12.1.1 Subject to any subsequent amendment to change the number of directors the number of the directors shall not be less than four (4) and shall include at least two (2) directors who are ordinarily resident in Mauritius. If the number falls below four the remaining directors shall as soon as possible, and in any event not later than three months from the date the number of directors falls below the minimum, fill the vacancy or call a general meeting to fill the vacancy. After the expiry of the three month period the remaining directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of Members.
- 12.1.2 Any director appointed under paragraph 12.1.1 shall hold office only until the next following annual meeting and shall then retire, but shall be eligible for appointment at that meeting.
- 12.1.3 The quorum for all board meetings shall be three, of which at least one must at all times be an executive director.

12.2 Qualification

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

12.3 Appointment

The directors of the company shall be appointed by the company in general meeting or at meetings of the board.

12.4 Retirement of directors

- 12.4.1 Life directorships are not permissible.
- 12.4.2 At each Annual General Meeting of Shareholders all the directors shall retire from office and may make themselves available for re-election.
- 12.4.3 The company at the meeting at which a director retires under any provision of this Constitution may by ordinary resolution fill the office being vacated by electing thereto the retiring director or some other person eligible for appointment. In default, the retiring director shall be deemed to have been re-elected except in any of the following cases:
 - 12.4.3.1 where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such director is put to the meeting and lost;
 - 12.4.3.2 where such director has given notice in writing to the company that he is unwilling to be re-elected; and
 - 12.4.3.3 where such director has attained any retiring age applicable to him as director.

12.5 Remuneration of directors

- 12.5.1 The remuneration of directors shall be determined by the Remuneration Committee.
- 12.5.2 The board may determine the terms of any service contract with a managing director or other executive director.
- 12.5.3 The directors may be paid all travelling, hotel and other expenses properly incurred by them in attending any meetings of the board or in connection with the business of the company.
- 12.5.4 If by arrangement with board any director shall perform or render any special duties or serves outside his ordinary duties as a director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether, by way of salary, commission, participation in profits or otherwise) as the Remuneration Committee may from time to time determine.
- 12.5.5 A director shall not vote on any contract or arrangement or any other proposal in which he or his associates have a material interest nor shall he be counted in the quorum present at the meeting.
- 12.5.6 Notwithstanding clause 12.5.5 above, a director shall be entitled to vote and be counted in the quorum at the meeting in respect of the following matters:
 - 12.5.6.1 the giving of any security or indemnity either:
 - (a) to the director in respect of money lent or obligations incurred or undertaken by him at the request of or for the benefit of the issuer or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the issuer or any of its subsidiaries for which the director has himself assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - 12.5.6.2 any proposal concerning an offer of shares or debentures or other securities of or by the issuer or any other company which the issuer may promote or be interested in for subscription or purchase where the director is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;
 - 12.5.6.3 any proposal concerning any other company in which the director is interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the director is beneficially interested in shares of that company, provided that he, together with any of his associates, is not beneficially interested in shares of that company, provided that he, together with any of his associates, is not beneficially interested in five percent or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights;
 - 12.5.6.4 any proposal or arrangement concerning the benefit of employees of the issuer or its subsidiaries including:
 - 12.5.6.4.1 the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which he may benefit; or
 - 12.5.6.4.2 the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors and employees of the issuer or any of its subsidiaries and does not provide in respect of any director as such any privilege or advantage not generally accorded to the class of person to which such scheme or fund relates; and
 - 12.5.6.5 any contract or arrangement in which the director is interested in the same manner as other holders of shares or debentures or other securities of the issuer by virtue only of his interest in shares or debentures or other securities of the issuer.
- 12.5.7 For the purposes of Clause 12.5.6 associate shall have, in relation to any director, the following meanings:
 - 12.5.7.1 his spouse and any child or stepchild under the age of 18 years of the director ("the individual's family") and;

- 12.5.7.2 the trustees (acting as such) of any trust of which the individual or any of the individual's family is a beneficiary or discretionary object; and
 - 12.5.7.3 any company in the equity capital of which the individual and/or any member or members of the individual's family (taken together) are directly or indirectly interested so as to exercise or control the exercise of 20 percent or more of the voting power at meetings of shareholders, or to control the appointment and/or removal of directors holding a majority of voting rights at board meetings on all or substantially all matters, and any other company which is its subsidiary.
- 12.5.8 For the purposes of Clause 12.5.6.3, associate shall have, in relation to a director, the following meaning:
- 12.5.8.1 a spouse, a director living "*en concubinage*" under the common law, any child or stepchild or any relative residing under the same roof as that director;
 - 12.5.8.2 a succession in which the director has an interest;
 - 12.5.8.3 a partner of that director;
 - 12.5.8.4 any company in which the director owns securities assuring him of more than 10 per cent of a class of shares to which are attached voting rights or an unlimited right to participate in earning and in the assets upon winding up;
 - 12.5.8.5 any controller of that director;
 - 12.5.8.6 any trust in which the director has a substantial ownership interest or in which he fulfills the functions of a trustee or similar function;
 - 12.5.8.7 any company which is a related company.

12.6 Proceedings of directors

12.6.1 *Chairperson*

- 12.6.1.1 The directors may elect one of their number as chairperson of the board and determine the period for which he is to hold office.
- 12.6.1.2 Where no chairperson is elected, or where at a meeting of the board the chairperson is not present within 15 minutes after the time appointed for the commencement of the meeting, the directors present may choose one of their number to be chairperson of the meeting.

12.6.2 *Notice of Meeting*

- 12.6.2.1 A director or, if requested by a director to do so, an employee of the company, may convene a meeting of the board by giving notice in accordance with this paragraph.
- 12.6.2.2 A notice of a meeting of the board shall be sent to every director and the notice shall include the date, time, and place of the meeting and the matters to be discussed.
- 12.6.2.3 Any meeting at which the business of the meeting is to appoint a director whether as an additional director or to fill a casual vacancy shall be called by at least 30 business days' notice. Any person appointed by the directors to fill a casual vacancy on or as an addition to the board shall hold office only until the following annual meeting of shareholders, and shall then be eligible for re-election.
- 12.6.2.4 An irregularity in the notice of a meeting is waived where all directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or where all directors entitled to receive notice of the meeting agree to the waiver.

12.6.3 *Methods of holding meetings*

- 12.6.3.1 The board or any committee thereof may meet at such times and in such manner and places within the Republic of Mauritius as the board may determine to be necessary or desirable.
- 12.6.3.2 A director shall be deemed to be present at a meeting of the board if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear and communicate with one another.

12.6.4 *Alternate directors*

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

12.6.5 *Voting*

12.6.5.1 Every director has one vote.

12.6.5.2 The chairperson shall not have a casting vote.

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

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

12.6.6 *Minutes*

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

12.6.7 *Resolution in writing*

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

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

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

12.6.8 *Directors may delegate*

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

12.6.8.1.1 to such person or committee;

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

12.6.8.1.3 to such an extent;

12.6.8.1.4 in relation to such matters or territories; and

12.6.8.1.5 on such terms and conditions as they think fit.

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

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

12.6.9 *Committees*

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

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

"14.6 Variation of Rights

Where the share capital of the company is divided into different classes of shares, the company shall not take any action which carries the rights attached to a class of shares unless that variation is approved by a special resolution, or by consent in writing of the holders of 75 per cent of the shares of that class.

The quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of one third of the issued shares of that class.

So long as the company shall be a listed company, the preferences, rights, limitations or other terms of any class of shares of the company must not be varied and no resolution may be proposed to shareholders for rights to include such variation in response to any objectively ascertainable external fact.

Adequate voting rights, will in appropriate circumstances and as determined by the board and Members of the company, be secured to preference shareholders.”

“13 POWERS AND DUTIES OF DIRECTORS

13.1 Borrowing Powers

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

13.2 Overseas Seal and Branch Registers

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

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

13.3 Management of company

The business of the company shall be managed by the directors in Mauritius who may pay all expenses incurred in promoting or registering the company and who may exercise all such powers of the company as are, by the Companies Act 2001 or by this Constitution, required to be exercised by the company in general meeting, subject, nevertheless, to the provision of this Constitution and to the provision of the Companies Act 2001.

13.4 Indemnity

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

13.5 Directors' expenses

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

13.5.1 meetings of directors or committees of directors;

13.5.2 general meetings of Members; or

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

“16 DIVIDENDS AND RESERVES

16.1 Declaration of Dividends

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

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

- 16.1.1.2 the realisable value of the assets of the company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account, and its capital.
- 16.1.2 Dividends may be declared and paid in money, shares or other property.
- 16.1.3 The company may cease sending dividend warrants by post if such warrants have been left uncashed on two successive occasions.
- 16.1.4 Notwithstanding clause 16.1.3 above, the company may cease sending dividend warrants after the first occasion on which such warrant is returned undelivered where after reasonable enquiries, the company has failed to establish any new address of the registered holder.

16.2 **Computation of Profit**

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

16.3 **Interim Dividends**

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

16.4 **Entitlement to dividends**

- 16.4.1 Subject to the rights of holders of shares entitled to special rights as to dividends, all dividends shall be declared and paid equally on all shares in issue at the date of declaration of the dividend.
- 16.4.2 If several persons are registered as joint holders of any share, any of them may give effectual receipt for any dividend or other monies payable on or in respect of the share.

16.5 **Reserves**

The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for any other purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments as the directors may from time to time think fit.

16.6 **Notice**

Notice of any dividend that may have been declared shall be given to each Member in the manner hereinafter mentioned all dividends unclaimed for five years after having been declared may be forfeited by resolution of the directors for the benefit of the company. The company shall hold monies other than dividends due to Members in trust indefinitely until lawfully claimed by such Member.

16.7 **Interest**

No dividend shall bear interest against the company.”

HISTORICAL FINANCIAL INFORMATION OF NEW FRONTIER

The extracts from the financial statements of New Frontier at 31 July 2014 as set out below falls under the responsibility of the board of New Frontier. The financial statements were audited by BDO who issued an unqualified audit report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 July 2014

	Notes	2014 US\$
ASSETS		
Non-current assets		
Investment property	6	1 700 000
Current assets		
Trade and other receivables	7	76 435
Cash and cash equivalents	8	15 080
		91 515
Total assets		1 791 515
EQUITY		
Equity attributable to equity holders of the company		
Share capital	9	5 000
Share premium	9	933 736
Revenue deficit		(149 679)
Owner's interest		789 057
Non-controlling interests		33 350
Total equity		822 407
LIABILITIES		
Non-current liabilities		
Borrowings	10	652 916
Current liabilities		
Trade and other payables	11	209 117
Borrowings	10	107 015
		316 192
Total liabilities		969 108
Total equity and liabilities		1 791 515
Net asset value per share		
Net tangible asset value per share		164.48
		164.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the day ended 5 June 2014

1. GENERAL INFORMATION

The company was incorporated in Mauritius on 5 June 2014 under the Mauritian Companies Act 2001 and is domiciled in Mauritius. It holds a Category 1 Global Business Licence and is regulated by the Financial Services Commission. The address of its registered office is 19th Floor, Newton Tower, Sir William Newton Street, Port Louis, Mauritius. On 5 June 2014, the company acquired its only subsidiary, Coastal Buildings Holdings Limited, incorporated in the British Virgin Islands. The latter owns a single investment property in the British Virgin Islands and its principal activity is property development.

The consolidated financial statements include the financial statements of the holding company (“The company”) and those of its subsidiary (“the Group”).

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation

2.1.1 *Income and cash flow statement*

The Group has elected to present a single statement of comprehensive income and presents its expenses by nature. The Group reports cash flows from operating activities using the indirect method. Interest received is presented within investing cash flows; interest paid is presented within operating cash flows. The acquisitions of investment properties are disclosed as cash flows from investing activities because this most appropriately reflects the Group’s business activities.

2.1.2 *Preparation of the consolidated financial statements*

The consolidated financial statements have been prepared on a going concern basis, applying a historical cost convention, except for the measurement of investment property at fair value, financial assets classified as available for sale and derivative financial instruments that have been measured at fair value.

2.1.3 *Changes in accounting policy and disclosures*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group.

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2014 or later periods, but which the company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

- IFRS 9 Financial Instruments
- IAS 32 Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
- IFRIC 21: Levies
- Recoverable Amount Disclosures for Non-financial Assets (Amendments to IAS 36)
- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)
- IFRS 9 Financial instruments (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39)
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
- Annual Improvements to IFRSs 2010 – 2012 cycle
- Annual Improvements to IFRSs 2011 – 2013 cycle
- IFRS 14 Regulatory Deferral Accounts
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)

- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
- IFRS 15 Revenue from contracts with customers
- Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)

Where relevant, the company is still evaluating the effect of these standards, amendments to published standards and interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

The excess of the consideration transferred the amount of any non-controlling interest in the transferred, non-acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

For acquisitions of subsidiaries not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. Such transactions or events do not give rise to goodwill.

All the Group companies have 31 December as their year-end. Consolidated financial statements are prepared using uniform accounting policies for like transactions. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Groups accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in United States Dollar ("US\$"), which is the Group's functional and presentation currency.

(b) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss for the year.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented net in the income statement within finance costs and finance income respectively, unless they are capitalised as explained in note 2.13 ("Borrowing costs"). All other foreign exchange gains and losses are presented net in the statement of comprehensive income.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that financial position;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions). The Group is using monthly average exchange rates due to the increased volatility in exchange rates; and
- (iii) all resulting exchange differences are recognised in the statement of comprehensive income.

On the disposal of a foreign operation (that is, a disposal of the group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation) all of the exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

2.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs (note 2.13).

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections.

Valuations are performed as of the financial position date by the Board of Directors. These valuations form the basis for the carrying amounts in the consolidated financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- (i) the provisions of the construction contract;
- (ii) the stage of completion;
- (iii) whether the project/property is standard (typical for the market) or non-standard;
- (iv) the level of reliability of cash inflows after completion;
- (v) the development risk specific to the property;
- (vi) past experience with similar constructions; and
- (vii) status of construction permits.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

If a valuation obtained for a property held under a lease is net of all payments expected to be made, any related lease liability recognised separately in the consolidated statement of financial position is added back to arrive at the carrying value of the investment property for accounting purposes.

Changes in fair values are recognised in the income statement. Investment properties are derecognised when they have been disposed.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within net gain from fair value adjustment on investment.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

2.5 Leases

(a) A group company is the lessee

(i) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including pre-payments, made under operating leases (net of any incentives received from the lessor) are charged to income statement on a straight-line basis over the period of the lease. Properties leased out under operating leases are included in investment properties. See note 2 for the accounting policy relating to land held on an operating lease and used as investment property.

- (b) A group company is the lessor in an operating lease

Properties leased out under operating leases are included in investment property in the consolidated statement of financial position (note 6). See note 2.15 for the recognition of rental income.

2.6 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2.7 Financial instruments

- (a) Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity financial assets and available-for-sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Group transfers substantially all risks and rewards of ownership.

The Group's financial assets consist of loans and receivables.

Financial assets recognised in the consolidated statement of financial position as trade and other receivables are classified as loans and receivables. They are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Cash and cash equivalents are also classified as loans and receivables. They are subsequently measured at amortised cost. Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

The Group assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in income statement.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Group will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognised when they are assessed as uncollectible.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in income statement.

- (b) Financial assets

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method (see note 2.16 for the accounting policy on borrowings).

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

2.8 Pre-payments

Pre-payments are carried at cost less any accumulated impairment losses. See note 2.6 for separate accounting policy for operating lease pre-payments.

2.9 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.10 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.11 Tenant deposits

Certain group companies obtain deposits from tenants as a guarantee for returning the property at the end of the lease term in a specified good condition. Such deposits are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised as finance cost (note 2.17) over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the date of the statement of financial.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

The Group capitalise borrowing costs on qualifying investment properties.

2.13 Taxation

Under the present British Virgin Island laws, the Group will not be subject to tax on income, profits or capital gains in the British Virgin Islands. Accordingly, no provision for income tax is included in these financial statements.

2.14 Revenue recognition

Revenue includes rental income, and service charges and management charges from properties.

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight line basis as a reduction of rental income.

Service and management charges are recognised in the accounting period in which the services are rendered.

2.15 Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the company's Audit Committee

2.16 Interest and expenses

Interest income and expense are recognised within 'finance income' and 'finance costs' in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalised as part of the cost of that asset. The Group has chosen to capitalise borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.17 Other expenses

Expenses include legal, accounting, auditing and other fees. They are recognised in profit or loss in the period in which they are incurred (on an accruals basis).

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The risk management function within the Group is carried out in respect of financial risks. Financial risks are risks arising from financial instruments to which the Group is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The Board of Directors have overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, they have delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Groups' management.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from open positions in (a) foreign currencies and (b) interest-bearing assets and liabilities, to the extent that these are exposed to general and specific market movements.

Sensitivities to market risks included below are based on a change in one factor while holding all other factors constant. In practice, this is unlikely to occur, and changes in some of the factors may be correlated – for example, changes in interest rate and changes in foreign currency rates.

(i) Foreign exchange risk

The Group has minimal exposure to foreign currency risk as it has no significant financial assets and financial liabilities denominated in currencies other than the US dollar.

(ii) Price risk

The Group has no significant exposure to price risk as it does not hold any equity securities or commodities.

The Group is exposed to price risk other than in respect of financial instruments, such as property price risk including property rentals risk.

(iii) Cash flow and fair value interest rate risk

As the Group's interest-bearing assets do not generate significant amounts of interest, changes in market interest rates do not have any significant direct effect on the Group's income.

The Group's interest rate risk principally arises from long-term borrowings (note 17). Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group does not have borrowings at fixed rates and therefore has no significant exposure to fair value interest rate risk.

Trade and other receivables and trade and other payables are interest free and with a term of less than one year, so it is assumed that there is no interest rate risk associated with these financial assets and liabilities.

The Group's interest rate risk is monitored by the Group's management on a monthly basis. The interest rate risk policy is approved quarterly by the Board of Directors. Management analyses the Group's interest rate exposure on a dynamic basis. Various scenarios are simulated, taking into consideration refinancing renewal of existing positions and alternative financing sources. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions. The simulation is done on a monthly basis to verify that the maximum potential loss is within the limits set by management. Trade receivables and payables (other than tenant deposits) are interest-free and have settlement dates within one year.

The average effective interest rates of financial instruments at the date of the statement of financial position, based on reports reviewed by key management personnel, were as follows:

- Cash and cash equivalents – 0%
- Bank Borrowings – 6%.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents held at banks, trade receivables, including rental receivables from lessees. Credit risk is managed on a group basis.

The Group has policies in place to ensure that rental contracts are entered into only with lessees with an appropriate credit history, but the Group does not monitor the credit quality of receivables on an ongoing basis. Cash balances are held only with reputable financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution. Limits on the level of credit risk by category and territory are approved quarterly by the Board of Directors. The utilisation of credit limits is regularly monitored.

The Group's maximum exposure to credit risk by class of financial asset is as follows:

	2014 US\$
Trade receivables, net of provision for impairment (note 12):	
– Rent receivable from lessee	34 545
– Other financial assets	9 040
Cash and cash equivalents	1 011
Deposits refundable to tenants may be withheld by the Group in part or in whole if receivables due from the tenant are not settled or in case of other breaches of contract. The fair value of cash and cash equivalents at 5 June 2014 approximates the carrying value.	
Analysis by credit quality of financial assets is as follows:	
Trade receivables, gross (note 7):	
Neither past due nor impaired:	
– Receivables from small or medium companies	1 000
Past due but not impaired:	
– Less than 30 days overdue	13 333
– 30 to 90 days overdue	26 252
– 90 to 180 days overdue	3 000
– Impairment provision	–
Total trade receivables, net of provision for impairment	43 585
Cash and cash equivalents, neither past due nor impaired	1 011

For the purposes of the Group's monitoring of credit quality, large companies or groups are those that, based on information available to management at the point of initially contracting with the entity, have annual turnover in excess of US\$5 million.

(c) Liquidity risk

Liquidity risk is the risk that the company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Board of Directors aims to maintain flexibility in funding by keeping committed credit lines available.

The Group's liquidity position is monitored by the Board of Directors. A summary table with maturity of financial assets and liabilities presented below is used by key management personnel to manage liquidity risks and is derived from managerial reports at company level. The amounts disclosed in the tables below are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the statement of financial position, as the impact of discounting is not significant.

The maturity analysis of financial instrument at 5 June 2014 is as follows:

	2014 US\$
Cash and cash equivalents	
– Demand and less than 1 month	1 011
Trade receivables	
– Demand and less than 1 month	43 585
Bank borrowings	
– Less than 12 months	143 834
– From 12 to 60 months	638 470
– Later than 60 months	–
Tenant deposits	
– Less than 12 months	6 000
– From 12 to 60 months	3 666
– Later than 60 months	2 500
Trade payables	
– Demand and less than 1 month	2 345

As the amount of contractual undiscounted cash flows related to bank borrowings is based on variable rather than fixed interest rates, the amount disclosed is determined by reference to the conditions existing at the reporting date – that is, the actual spot interest rates effective as of 5 June 2014

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated by the Group as total borrowings less cash and cash equivalents. Total equity equals equity as shown in the consolidated statement of financial position.

The Group's strategy is to maintain a gearing ratio within 50% to 95%. The gearing ratio at 5 June 2014 was as follows:

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors.

4.1 Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Investment property

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged independent valuation specialists to determine fair value as at 31 July 2014. The valuer used a valuation technique based on a discounted cash flow model as there is a lack of comparable market data because of the nature of the property.

The fair value of investment properties is determined by using valuation techniques. Further details of the judgements and assumptions made, see note 6.

5. GOODWILL

	2014 US\$
Addition through business combination (note 12)	99 034
Goodwill impaired	(99 034)
At 31 July 2014	–

Impairment tests for goodwill: goodwill is allocated to the Group's cash generating unit, i.e., the subsidiary (Coastal Building Holdings Ltd). Following our assessment, the goodwill was impaired due to a fall in the recoverable amount of the cash generating unit. The assumptions used are the same as was used to value the investment property in the subsidiary. Refer to note 6.

6. INVESTMENT PROPERTY

	2014 US\$
<i>Fair value model</i>	
At 5 June 2014	–
Acquisitions through business combinations (note 13)	1 700 000
Additions	62 512
Fair value loss	(62 512)
At 31 July 2014	1 700 000

The Group's investment property is measured at fair value. The Group holds only one investment property, a sub-leasehold interest in an office building, situated in the British Virgin Islands. The lease on leasehold land expires on 1 January 2073. The leasehold land was originally leased for 99 years to Albon Enterprises Limited on 2 January 1970. The lease was transferred to Pasea Investment Ltd on 1 September 2010 and later sublet to the Company's subsidiary on December 19, 2011 for the remaining term of 61 years.

Investment property is carried at fair value which is categorised as level 3.

Valuation process

On 18 June 2014, the Group had an independent valuation of the property by Smiths Gore BVI Limited which indicated a fair value of USD1 700 000.

Management is of the opinion that no impairment is necessary at 31 July 2014.

A fair value hierarchy of three is attributed to the investment property as there are a significant number of unobservable inputs used to determine the fair value of the property. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. Changes in levels are analysed at each reporting date by the Board of Directors.

Bank borrowings are secured on investment property to the value of US\$854 000 (note 10).

Valuation technique

The fair value of the completed investment property is determined using an income capitalisation method. Under this valuation method the property's fair value is estimated based on the normalised net operating income generated by the property, which divided by the capitalisation rate. The difference between the gross and net rental income includes operating expenses and taking into account vacancy allowance and replacement reserve.

Significant unobservable inputs

The significant unobservable inputs are:

- Probability of renewal (75%)
- Vacancy allowance (2%)
- Replacement reserve allowance (2.5% of gross revenue)
- Capitalisation rate (9%)

Inter-relationship between key unobservable inputs and fair value measurement

The estimated fair value would increase (decrease) if:

- Probability of renewal were higher (lower)
- Vacancy allowance are lower (higher)
- Replacement reserve allowance lower (higher)
- Capitalisation rate is lower (higher)

7. TRADE AND OTHER RECEIVABLES

	2014
	US\$
Trade receivables:	
Deposits on rental	
Other receivables (note 16)	
Receivables from related parties (note 16)	3 000
Trade receivables:	1 000
Deposits on rental	72 435
	76 435

The estimated fair values of receivables are the discounted amount of the estimated future cash flows expected to be received and approximate their carrying amounts. Expected cash flows are discounted at current market rates to determine fair values.

There is no significant concentration of credit risk with respect to trade receivables, as the Group has a large number of tenants, internationally dispersed.

8. CASH AND CASH EQUIVALENTS

	2014
	US\$
Cash at bank and in hand	15 080
Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:	
Cash and cash equivalents	15 080

9. SHARE CAPITAL

The company's stated capital consists of 5 000 ordinary shares with no par value.

During the period under review the following changes occurred in the share capital and share premium of New Frontier

	2014
	US\$
At 5 June 2014	–
Shares issued	
Share capital	938 736
At 5 June 2014	938 736

10. BORROWINGS

All the Group's borrowings are at floating rates of interest. Interest costs may increase or decrease as a result of changes in the interest rates.

	2014
	US\$
Non-current bank borrowings	652 916
Current bank borrowings	107 015
	759 931

On 1 November 2011, the company's subsidiary obtained a loan from a BVI-licensed bank of \$745 665 with an interest rate of 6% p.a. which represents near market rates for a comparable loan from a third party. The term of the loan is for 7.4 years. The loan proceeds were used to purchase leasehold rights for a commercial property located in Wickham Cay II, Road Town, Tortola, BVI. On 9 September 2013, the company's subsidiary increased its mortgage loan facility by \$250 000. The loan proceeds were used in the renovation of the investment property. The investment property was used as collateral for the loan.

The fair value of borrowings approximated their carrying value at the date of the consolidated statement of financial position.

11. TRADE AND OTHER PAYABLES

	2014
	US\$
Trade and other payables	87 873
Payables to related parties	121 304
	209 177

12. ACQUISITIONS OF SUBSIDIARIES

On 5 June 2014, the Group acquired 100% of the share capital of Coastal Building Holdings Limited in terms of the Coastal Building sale agreement, a company incorporated in the British Virgin Islands, which holds a sub-leasehold interest in an office building situated in the British Virgin Islands. The subsidiary contributed US\$32 333 to the Group's revenue and US\$50 645 to the Group's loss. If the acquisition had occurred on 1 January 2014, with all other variables held constant, Group revenue for the period ended 31 July 2014 would have been US\$105 308 and the Group would have sustained a loss for the same period of US\$64 676.

Net outflow of cash and cash equivalents on acquisition resulting from assets and liabilities acquired and goodwill arising are as follows:

	2014 US\$
Investment property	1 700 000
Other receivables	3 000
Due from related parties	73 935
Cash and cash equivalents	10
Borrowings	(782 304)
Due to related parties	(108 078)
Trade and other payables	(14 511)
Fair value of acquired interest in net assets of subsidiary	872 052
Non-controlling interest	(33 350)
Goodwill (note 5)	99 034
	937 736
Total purchase consideration	937 736
Less: Cash and cash equivalents of subsidiary acquired	(10)
	937 726
<u>Consideration</u>	
Equity instruments (4 000 ordinary shares)	937 726
<u>Net cash flow on acquisition of subsidiary</u>	
Consideration paid in cash	–
Cash and cash equivalents balances acquired	10
	10

The acquisition is in line with the primary objective of the Company which is of acquiring and developing good quality income generating property assets situated in frontier markets.

There were no acquisition related costs.

The goodwill arising on acquisition has been impaired and recognised in profit or loss (note 5).

The value of the goodwill recognised from the acquisitions is derived from the purchase price negotiated less the fair value of the assets and liabilities acquired.

Class A shares were originally owned by Osiris Group Holdings Ltd and were transferred to IAP Trustees Limited as Trustee of the Harbour House Trust on 19 July 2013 and on 25 July 2014 with the execution of the “Agreement for Sale and Purchase of the Issued Share Capital of the Company” the 23 900 Class A shares were then transferred to New Frontier Properties Ltd effective 5 June 2014.

Pasea Investment Ltd (PIL) is the beneficial owner of 33 350 Class B shares in the issued capital of the Company.

On 3 July 2014 the Company’s subsidiary amended its Memorandum and Articles of Association to include 7 250 Class A shares with \$1 par value. As a result of the amendments the subsidiary’s authorised share capital increase from 50 000 to 57 250.

Subsequent to the period end 14 550 Class A shares with \$1 par value on 19 September 2014. The subsidiary’s authorised share capital increased from 57 250 to 71 800 shares, as result of the amendments.

Class rights

The Coastal Building currently comprises two (2) floors (refers to “A floors”) shall be designated to Class A Shares and any future floors to be constructed (refers to “B floors”) shall be designated to Class B Shares. The Class B shareholders shall not commence any development within twelve (12) months of the Class A shareholders occupation on the A floors of the Coastal Building.

Class A shares shall have exclusive right for whatever purpose on the A floors and Class B shares shall have exclusive right for whatever purpose on the B floors. Class A and Class B shall share have the rights to develop at its own cost, the A floors and B floors, respectively.

Any income that accrues to the Company's subsidiary from leasing of the A floors or B floors shall be segregated between the Class A and B shares, respectively. The Class A shareholder shall be entitled to receive and retain all income arising from A floors and the Class B shareholder shall be entitled to receive and retain all income arising from B floors.

The Class A shareholder shall be entitled to appoint two directors and the Class B shareholder one director to the Board. The Class A shareholder's entitlement to appoint two directors to the Board shall endure for a period of eighty eight (88) months commencing on the date of the loan from a BVI-licensed bank to the Company or until the obligations of the Class A shareholder as a guarantor of the loan are discharged, whichever is the sooner, whereafter it shall lapse and the Class A shareholder shall only have one appointee on the Board thereafter.

The shareholders shall be entitled to appoint one alternate to each director appointed by them and remove, replace and fill vacancy in the appointment of their director/s or alternate/s from time to time. Such alternate/s shall be entitled to vote at a meeting in place of the "A" director/s or "B" director to whom his or appointment relates.

Distribution of purchase price to A and B shareholders

In the event that all the issued shares of the Company's subsidiary are sold the purchase price of such shares shall be distributed to A and B shareholders in the following manner:

- (a) First, an amount of \$1 000 000 shall be paid to the A shareholder as (1) reimbursement of the cash advances by the A shareholder to the Company's subsidiary, (2) reimbursement of the payments it has made in discharge of the loan by the bank and (3) to enable the A shareholder to discharge the balance of the Company's loan obligation to the bank which it has guaranteed.
- (b) Second, the balance of the purchase price shall be divided between the A and B shareholders proportionately. Their proportionate shares shall be determined accordingly to the value of the A floors and the B floors respectively, to the whole of the purchase price.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF NEW FRONTIER

“The Board of Directors
New Frontier Properties Limited
19th Floor Newton Tower
Sir Williams Newton Street
Port Louis
Mauritius

4 December 2014

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF NEW FRONTIER PROPERTIES LIMITED

Introduction

At your request and for the purposes of the pre-listing statement of New Frontier Properties Limited (“New Frontier” or “the company”) regarding the proposed secondary listing of New Frontier’s shares on the Alternative Exchange of the JSE Limited (“JSE”), to be dated on or about 4 December 2014 (“the PLS”), we present our report on the historical financial information of New Frontier, comprising the statement of financial position, as at 31 July 2014 (“the Historical Financial Information”), as set out in **Annexure 8** of the PLS, for the purposes of complying with the Listings Requirements of the JSE. BDO & Co are the independent auditors of New Frontier.

Responsibility of the directors

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

Responsibility of the Independent Reporting Accountants

Our responsibility is to express an opinion on the Historical Financial Information included as **Annexure 8** of this PLS.

Historical Financial Information for the period ended 31 July 2014

Introduction

We have audited the Historical Financial Information for the period ended 31 July 2014.

Responsibility of the independent reporting accountants’ on the Historical Financial Information for the period ended 31 July 2014

We conducted our audit of the Historical Financial Information for the period ended 31 July 2014 in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the Historical Financial Information for the period ended 31 July 2014 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the abovementioned Historical Financial Information for the period ended 31 July 2014. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Historical Financial Information for the period ended 31 July 2014, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the Historical Financial Information for the period ended 31 July 2014 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Historical Financial Information for the period ended 31 July 2014.

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

Opinion on Historical Financial Information for the period ended 31 July 2014

In our opinion, the Historical Financial Information for the period ended 31 July 2014, included in the PLS presents fairly, in all material respects, the financial position of New Frontier as 31 July 2014 in accordance with International Financial Reporting Standards and in the manner required by the JSE Listings Requirements.

Consent

We consent to the inclusion of this report, which will form part of the pre-listing statement in the form and context in which it appears.

Yours faithfully

Per: Heemal Bhaga Muljee
JSE reporting accountant specialist
Director
Registered Auditor
22 Wellington Road
Parktown
2193

PRO FORMA STATEMENT OF FINANCIAL POSITION OF NEW FRONTIER

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

The *pro forma* statement of financial position has been prepared to illustrate the impact of the SA private placement (collectively, "**the *pro forma* adjustments**") on the reported financial information of New Frontier for the period ended 31 July 2014. The *pro forma* statement of financial position is based on the assumption that the *pro forma* adjustments had been implemented on 31 July 2014.

The independent reporting accountants' assurance report on the *pro forma* statement of financial position is set out in **Annexure 11**.

The *pro forma* statement of financial position has been prepared in accordance with the accounting policies of the New Frontier as set out in **Annexure 8**.

All figures are given to the nearest US Dollar.

Pro forma statement of financial position

Set out below is the *pro forma* statement of financial position of New Frontier reflecting the effects of the SA private placement and the subdivision of New Frontier shares:

	Before ¹ US\$ Actual	After the subdivision of New Frontier shares ² <i>Pro forma</i>	Adjustments for the SA private placement ³ US\$ <i>Pro forma</i>	After the SA private placement US\$ <i>Pro forma</i>
ASSETS				
Non-current assets				
Investment property	1 700 000	1 700 000		1 700 000
Current assets				
Trade and other receivables	76 435	76 435		76 435
Cash and cash equivalents	15 080	15 080	722 132 ^{3a/3b}	737 212
	91 515	91 515	722 132	813 647
Total assets	1 791 515	1 791 515	722 132	2 513 647

	Before ¹ US\$ Actual	After the subdivision of New Frontier shares ² <i>Pro forma</i>	Adjustments for the SA private placement ³ US\$ <i>Pro forma</i>	After the SA private placement US\$ <i>Pro forma</i>
EQUITY				
Equity attributable to equity holders of the company				
Stated capital	938 736	938 736	722 132 ^{3a, 3c}	1 660 868
Revenue deficit	(149 679)	(149 679)		(149 679)
Owners' interest	789 057	789 057		1 511 189
Non-controlling interest	33 350	33 350		33 350
Total equity	822 407	822 407	722 132	1 544 539
LIABILITIES				
Non-current liabilities				
Borrowings	652 916	652 916		652 916
	652 916	652 916		652 916
Current liabilities				
Trade and other payables	209 177	209 177		209 177
Borrowings	107 015	107 015		107 015
	316 192	316 192		316 192
Total liabilities	969 108	969 108		969 108
Total equity and liabilities	1 791 515	1 791 515	722 132	2 513 647
Number of shares in issue	5 000	938 736	1 000 000	1 938 736
Net asset value per share (USD)	164.48	0.88		0.80
Net tangible asset value per share (USD)	164.48	0.88		0.80

Notes and assumptions:

- (1) The "Before" financial information has been extracted without adjustment from the audited statement of financial position of New Frontier as at 31 July 2014, as set out in **Annexure 8**.
- (2) The "After the subdivision of New Frontier shares" column shows the impacts on the *pro forma* statement of financial position after the subdivision of New Frontier shares. An adjustments column relating to the subdivision of New Frontier shares has not been included given that this only impacts the number of shares in issue.
- (3) These adjustments comprise:
 - (a) after the issue of 1 000 000 shares which are assumed to be issued pursuant to the SA private placement at USD1.00 per share thereby raising capital of USD1 000 000.
 - (b) payment of estimated listing costs amounting to R2 917 611 (approximately USD277 868) converted at a USD:ZAR exchange rate of USD1.00:ZAR10.50) in respect of the SA private placement and the listing on the JSE.
 - (c) the remaining capital raised after accounting for listing costs is USD722,132. This remaining capital will be kept in a bank account in Mauritius.
 - (d) the addition of USD722 132 to stated capital of the remaining capital raised after accounting for listing costs, directly attributable to the SA private placement, accounted for in accordance with IAS 32: Financial Instruments.
- (4) No income benefit has been attributed to the proceeds received in respect of the SA private placement as these proceeds are intended to be used to cover the costs of listing on the JSE and the remaining capital will be kept in a bank account in Mauritius.
- (5) There are no other post balance sheet events which require adjustment to the consolidated *pro forma* statement of financial position.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE *PRO FORMA* STATEMENT OF FINANCIAL POSITION OF NEW FRONTIER

“The Board of Directors
New Frontier Properties Limited
19th Floor Newton Tower
Sir Williams Newton Street
Port Louis
Mauritius
4 December 2014

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION OF NEW FRONTIER PROPERTIES LIMITED

Introduction

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of New Frontier Properties Limited (“**New Frontier**” or “**the company**”) by the directors. The *pro forma* financial information as set out in paragraph 21 and Annexure 10 of the pre-listing statement, consists of the statement of financial position and related notes. The pre-listing statement of New Frontier, to be dated on or about 4 December 2014 (“**the PLS**”), to be issued in connection with the proposed secondary listing of New Frontier shares on the Alternative Exchange of the JSE Limited (“**JSE**”), by way of an offer to invited investors to subscribe for up to 1,000,000 ordinary shares in New Frontier (“**the SA Private Placement**”). The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Listings Requirements.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of how the SA Private Placement might have affected the reported financial information of New Frontier had the SA Private Placement been undertaken on 31 July 2014 for statement of financial position purposes. As part of this process, information about the company's financial position has been extracted by the directors from the historical financial information of the company as set out in paragraph 20 and **Annexure 9** of the PLS.

Directors' Responsibility for the *Pro Forma* Financial Information

The directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 21 and Annexure 10 of the PLS.

Reporting accountants' responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420 Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information Included in a prospectus. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

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

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 21 and Annexure 10 of the PLS.

Yours faithfully

BDO South Africa Incorporated
Registered Auditors
Per Nick Lazanakis
Chartered Accountant (SA)
Registered Auditor and reporting accountant specialist
22 Wellington Road, Parktown, 2193"

CORPORATE GOVERNANCE STATEMENT

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

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

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

The formal steps taken by the directors are summarised below:

1. BOARD OF DIRECTORS

Given the size of the company, that the company is newly incorporated and in the interests of keeping costs low in the early stages of the company's formation, it has been decided that the board should be small and currently comprises two executive directors and three non-executive directors. The board will ensure that there is an appropriate balance of power and authority on the board, such that no one individual or block of individuals dominates the board's decision-taking. The non-executive directors are individuals of calibre, credibility and have the necessary skills and experience to bring independent judgement on issues of strategy, performance, resources, standards of conduct and evaluation of performance.

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

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

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

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

The board will establish a formal induction programme to familiarise incoming directors with the company's operations, senior management and its business environment, and to induct them in their fiduciary duties and responsibilities. Directors will receive further briefings from time to time on relevant new laws and regulations as well as on changing economic risks.

Directors will ensure that they have a working understanding of applicable laws. The board will ensure that the company complies with applicable laws and considers adherence to non-binding industry rules and codes and standards. In deciding whether or not non-binding rules shall be complied with, the board will factor the appropriate and ethical considerations that must be taken into account. New directors with no or limited board experience will receive appropriate training to inform them of their duties, responsibilities, powers and potential liabilities.

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

The a sub-committee appointed by the board, will appraise the performance of the CEO at least annually.

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

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

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

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

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

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

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

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

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

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

2. RISK AND AUDIT COMMITTEE

The members of the Risk and Audit Committee are:

- Diane Bosman
- Hendrik Barnhoorn
- Peter Todd

The board has established a Risk and Audit Committee which one non-executive director shall be the chairperson.

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

issues. The Risk and Audit Committee will review the content of the company's interim results and will engage external auditors to provide assurance on the summarised financial information.

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

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

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

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

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

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

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

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

3. RISK MANAGEMENT AND INTERNAL CONTROLS

Risk and internal controls management will be under the responsibility of the Risk and Audit Committee.

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

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

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

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

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

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

4. **REMUNERATION COMMITTEE**

The members of the Remuneration Committee are:

- Brendon Jones
- Diane Bosman

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

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

- (a) determining, developing and agreeing the company's general policy or executive and senior management remuneration;
- (b) determining specific remuneration packages for executive directors of the company, including but not limited to basic salary, benefits in kind, annual bonuses, performance incentives, share incentives, pensions and other benefits;
- (c) determining any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities; and
- (d) determining the level of non-executive and independent non-executive fees to be recommended to the shareholders at the meeting of shareholders.

5. **INVESTMENT COMMITTEE**

The board has appointed an Investment Committee comprising of Brendon Jones, Diane Bosman and independent external advisors.

The intention of the company is for the investment committee to comprise of a majority of independent non-executive directors. However this is currently not the case.

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

6. **DIRECTORS' DEALINGS**

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

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

7. THE COMPANY SECRETARY

The company secretary, who is not a director of the company, will provide the board as a whole and directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interest of the company.

The company secretary will provide a central source of guidance and advice to the board, and within the company, on matters of ethics and good corporate governance and will assist with the appointment of directors to the board.

The company secretary will be subject to an annual evaluation by the board.

8. COMMUNICATION WITH SHAREHOLDERS

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

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

9. DIRECTORS' REPORT

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

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

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

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

10. SOCIAL AND ETHICS COMMITTEE

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

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

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

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

11. BUSINESS RESCUE

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

SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

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

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

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

1. SOUTH AFRICAN PRIVATE INDIVIDUALS

The subscription for shares in terms of the SA private placement or the acquisition of shares on the market by a South African private individual will not affect such person's foreign investment allowance under Exchange Control Regulations.

A South African private individual need not take any additional administrative actions and can instruct its broker to accept, buy and sell shares on its behalf in New Frontier as it would with any other listed security on the JSE. Such shares are on the South African register and are Rand-denominated.

2. SOUTH AFRICAN INSTITUTIONAL INVESTORS

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

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

3. MEMBER BROKERS OF THE JSE

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

4. SOUTH AFRICAN CORPORATE ENTITIES, BANKS, TRUSTS AND PARTNERSHIPS

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

5. NON-RESIDENTS OF THE COMMON MONETARY AREA

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

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

Former residents of the common monetary area who have emigrated may use emigrant blocked funds to subscribe for shares in terms of the SA private placement or acquire the shares on the market. The shares will be credited to their blocked share accounts at the Central Securities Depository Participant controlling their blocked portfolios. The sale proceeds derived from the sale of the shares will be transferred to the Authorised Dealer in foreign exchange controlling the emigrants' blocked assets for credit to the emigrants' blocked account.

6. **MOVEMENT OF NEW FRONTIER SHARES BETWEEN REGISTERS**

Shares in New Frontier are fully fungible and may be transferred between registers, subject to investors obtaining necessary exchange control approvals where necessary.

South African resident investors may only acquire shares, *via* the JSE, that are already on the South African branch register maintained by New Frontier's transfer secretaries.

Member brokers of the JSE may acquire shares on foreign exchanges and transfer shares to the South African register as described in paragraph 3 above.

Non-residents are not subject to Exchange Control Regulations and may freely transfer shares between branch registers.

DETAILS OF VENDORS

The immovable properties, subsidiaries and investments acquired by New Frontier since incorporation are detailed in the table below, together with the names and addresses of the vendor of the immovable properties and/or securities by New Frontier and/or its subsidiaries and the consideration paid by the vendors in the three-year period preceding the listing on the JSE. New Frontier acquired Coastal Building Holdings Limited from Brendon Jones. In terms of which the company acquired 100% of the Class A Shares in Coastal Building Holdings Limited from Brendon Jones, with effect from 5 June 2014, for a purchase price of USD937 736, which was settled by the issuing by the company of 4 000 ordinary shares in itself to Brendon Jones at an issue price of USD234.00 per ordinary share, with effect from 5 June 2014.

Nature of asset acquired	Name of the vendors	Address of the vendors	Name of beneficial shareholders of the vendors	Date of acquisition by New Frontier	Price paid to vendors (USD)	Consideration of issue of securities	Cash portion	Loans incurred to finance acquisition
100% of the class A shares	Brendon Jones	Suite 203, 2nd Floor, La Croisette Grand Baie Mauritius	Brendon Jones	5 June 2014	937 736	4 000 shares (100% of consideration)	0%	N/A

Notes:

1. The following warranties were provided by the vendor:
 - 1.1 the vendor is the sole registered and beneficial owner of the class A shares;
 - 1.2 the vendor was entitled to and able to give free and unencumbered title to the sale of the class A shares; and
 - 1.3 no person had any rights (including, *inter alia*, any option or right of first refusal) to acquire any of the shares.
2. The Coastal Buildings sale agreement does not preclude the vendor from carrying on business in competition with New Frontier, or impose any restriction on the vendor, nor any cash has been paid in respect of restraints of trade.
3. Brendon Jones is a director of New Frontier.
4. The Coastal Buildings sale agreement does not have any provisions for the treatment of accrued tax.
5. Brendon Jones acquired Coastal Building Holdings Limited from the Harbour House Trust (a trust established in the BVI), of which Peter Todd and his family are the beneficiaries, on 5 June 2014 for USD937 736 cash.

DETAILS OF SUBSIDIARY

1. INCORPORATION, ADDRESS AND HISTORY

- 1.1 Coastal Building Holdings Limited (Registration number 1661050) was incorporated on 15 July 2011 in the BVI has been operational since inception. The company's registered address is Wickham's Cay II, Road Town, Tortola, British Virgin Islands.
- 1.2 New Frontier acquired Coastal Building Holdings Limited on 5 June 2014 from Brendon Jones.
- 1.3 Coastal Building Holdings Limited currently has 23 900 class A shares in issue. The only change to the share capital of Coastal Building Holdings Limited in the past three years was the issue of 7 250 class A shares to capitalise loan obligations on 3 July 2014. Coastal Building Holdings Limited is not listed on any exchange.
- 1.4 Brendon Jones acquired Coastal Building Holdings Limited from the Harbour House Trust (a trust established in the BVI), of which Peter Todd and his family are the beneficiaries, on 5 June 2014 for USD937 736 cash. This was the only change of control of Coastal Building Holdings in the past five years. There have been no changes in the operating objectives of Coastal Building Holdings in the past five years.

NEW FRONTIER

NEW FRONTIER PROPERTIES LTD

(Incorporated in the Republic of Mauritius)
(Registration number 123368C1/GBL)
SEM share code: "NFP.N000"
JSE share code: "NFP" ISIN: "MU0453N00004"
("New Frontier" or "the company")

APPLICATION FORM FOR INVITED INVESTORS WISHING TO ACQUIRE SHARES VIA THE ALT^x OF THE JSE THE SA PRIVATE PLACEMENT APPLICATION FORM

TO BE COMPLETED BY INVITED INVESTORS

An offer to invited investors to subscribe for shares in New Frontier ("**private placement shares**") at an issue price payable in Rand which is equivalent to USD1.00 per placement share determined at the prevailing USD:ZAR exchange rate at 12:00 on Thursday, 15 January 2015 ("**private placement price**") (the "**private placement**"), in terms of the pre-listing statement (the "**pre-listing statement**").

Successful invited investors will be advised of their allotment of private placement shares by a date not later than Friday, 16 January 2015.

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

NOTE: PLEASE COMPLETE THE ADDENDUM ENCLOSED WITH THIS PRIVATE PLACEMENT APPLICATION FORM. THE ADDENDUM TO THE SA PRIVATE PLACEMENT APPLICATION FORM IS REQUIRED FOR SOUTH AFRICAN RESERVE BANK REPORTING PURPOSES, FAILURE TO RETURN A FULLY COMPLETED ADDENDUM WILL RENDER THE PRIVATE PLACEMENT APPLICATION FORM INVALID

Dematerialised shares

The allocated private placement shares will be transferred to successful invited investors in dematerialised form only. Accordingly, all successful invited investors must appoint a Central Securities Depository Participant ("**CSDP**") directly, or a broker, to receive and hold the dematerialised shares on their behalf.

Should a shareholder require a physical share certificate for its New Frontier shares, it will have to re-materialise its New Frontier shares at its own cost following the listing on the JSE and should contact its CSDP or broker to do so.

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

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

If delivered by hand or by courier:

Attention: Errol Germon/Gareth Earl
Java Capital
Redefine Place
2 Arnold Place
Rosebank
Johannesburg
South Africa

If emailed

egermon@javacapital.co.za/gearl@javacapital.co.za

In the event that this application is submitted through a broker or CSDP, the broker or CSDP must stamp this application form.

This application form must be received by no later than 12:00 on Thursday, 15 January 2015.

Invited investors must contact their CSDP or broker and advise them that they have submitted the application form as instructed above. Pursuant to the application, invited investors must make arrangements with their CSDP or broker for payment to be made as stipulated in the agreement governing their relationship with their CSDP or broker, in respect of the shares allocated to them in terms of the SA private placement by the settlement date, expected to be Wednesday, 21 January 2015.

Reservation of rights

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

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

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

**To the directors:
New Frontier Properties Ltd**

I/We, the undersigned, confirm that I/we have full legal capacity to contract and, having read the pre-listing statement, hereby irrevocably apply for and request you to accept my/our application for the undermentioned value to subscribe for private placement shares under the SA private placement set out in the pre-listing statement to which this application form is attached and in terms of the terms and conditions set out therein and that may, in your absolute discretion, be allotted to me/us, subject to the Constitution of New Frontier Properties Ltd.

I/We wish to receive my/our allocated private placement shares in dematerialised form and will hand this offer application form to Java Capital(Proprietary) Limited, and will provide appropriate instructions to my/our CSDP or broker, as the case may be, with regard to the application herein and the payment thereof, as stipulated in the agreement governing my/our relationship with my/our CSDP or broker, as the case may be. I/We accept that payment in respect of these applications will be, in terms of the custody agreement entered into between me/us and my/our CSDP or broker, as the case may be, on a delivery-versus-payment basis.

I/We understand that the subscription for private placement shares in terms of the pre-listing statement conditional on the granting of a listing of the shares of New Frontier on the JSE Limited by Wednesday, 21 January 2015 or such later date as the directors may determine.

Dated _____ Telephone number () _____

Signature _____ Mobile phone number _____

Assisted by (where applicable) _____

All fields are mandatory unless not applicable

Entity	Individual <input type="checkbox"/>	Institution <input type="checkbox"/>
Resident/Non-resident	Resident <input type="checkbox"/>	Non-resident <input type="checkbox"/>
Surname of individual	Mr/Mrs/Ms/Other title	
First names (in full)		
Identity number/Registration number		
Place of residence/incorporation		
Street address		
Suburb		
City		
Country		
Postal address (refund cheque, if applicable, will be sent to this address)		
Contact name (for institutions only)		
E-mail		
Telefax number		
Telephone number		
Temporary resident number (if applicable)		
Passport number (if temporary resident)		
Passport country		
Income tax number		
VAT number (if applicable)		
Broker name		
Broker account number (if applicable)		
Broker code (if applicable)		
Broker SCA		
Rand value of SA private placement shares applied for		
CSDP name		
CSDP contact person		
CSDP contact telephone number		
SCA or bank SCD account number		
Scrip account number		
Settlement bank account number		
Crest participant name		
Crest participant ID number		
Crest member ID number		
Crest participant contact telephone number		
Stamp and signature of CSDP, Crest Participant, or broker		

This application will constitute a legal contract between New Frontier Properties Ltd and the applicant. Application forms will not be accepted unless the above information has been furnished.

INSTRUCTIONS:

1. Applications may be made on this application form only for a minimum of R1 000 000 for a single addressee acting as applicant. Copies or reproductions of the application form will be accepted at the discretion of the directors of New Frontier.
2. Applications are irrevocable and may not be withdrawn once submitted.
3. CSDPs and brokers will be required to retain this application form for presentation to the directors if required.
4. Please refer to the terms and conditions of the SA private placement set out in paragraph 15 of the pre-listing statement. Applicants should consult their broker or other professional advisor in case of doubt as to the correct completion of this application form.
5. Applicants need to have appointed a CSDP or broker and must advise their CSDP or broker in terms of the custody agreement entered into between them and their CSDP or broker. Payment will be made on a delivery-versus-payment basis.
6. No payment should be submitted with this application form to New Frontier.
7. If payment is dishonoured, or not made for any reason, New Frontier may, in its sole discretion, regard the relevant application as invalid or take such other steps in regard thereto as it may deem fit.
8. No receipts will be issued for application forms, application monies or any supporting documentation.
9. All alterations on this application form must be authenticated by full signature.
10. As allocated private placement shares are being transferred to successful invited investors on a delivery-versus-payment basis, no payment will be required to be made if the SA private placement or listing is not successful.
11. As allocated shares are being transferred to successful applicants on a delivery-versus-payment basis, no payment will be required to be made if the SA private placement or listing on the JSE is not successful.