



FIRST RESORTS

360° Service

First Resorts and Hotel Management (Pty) Ltd
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23 December 2016

Dear Shareholder,

WATERBERRY HILL SHARE BLOCK LTD

UPDATE ON THE PROPOSED SALE OF THE RESORT

As per previous correspondence sent to shareholders regarding the proposed sale of the Waterberry Hill property, an auction was held on Saturday, 26 November 2016. The sale did not attract the expected interest, with eventually only two individuals bidding. The reserve price as agreed with shareholders was not reached.

The auctioneer is currently negotiating further with one of the potential buyers. At this stage no definite agreement has been reached which means it is business as usual and that the resort carries on operating as before.

The investigations into the possible sale of individual units will now proceed. Having said this, the process will be a lengthy one, which will include the opening of a sectional title register. This requires the submission of sectional plans, body corporate rules, etc. From the information at hand, this process can take up to a year. Marketing of individual units can only begin once the sectional title register has been opened. At this stage owners can still enjoy their timeshare.

Shareholders will be kept informed regarding any progress.


FOR AND ON BEHALF OF THE BOARD.

Directors: SE Lamont, JJ Jordaan, TT Spencer, JH Jordaan

