

Brimstone Investment Corporation Limited
(Incorporated in the Republic of South Africa)
Registration number 1995/010442/06
Share Code: BRT ISIN: ZAE000015277
Share Code: BRN ISIN: ZAE000015285
(Brimstone or the Company)

ANNOUNCEMENT REGARDING THE DISPOSAL OF 13,519,142 LIFE HEALTHCARE GROUP HOLDINGS LIMITED ("LIFE HEALTHCARE") SHARES

1. Introduction

Brimstone shareholders are advised that the Company has disposed of 13,519,142 Life Healthcare ordinary shares ("Life Healthcare shares") at an average price of R26.78 per Life Healthcare share on the open market, for an aggregate consideration of R361,995,230 (the "Disposal").

The Disposal took place in various tranches and was completed on Friday, 2 February 2018.

2. Rationale for the Disposal

The Disposal was effected in order for Brimstone to realise a portion of its investment in Life Healthcare. Following the Disposal Brimstone holds 51,302,271 shares in Life Healthcare, representing a shareholding of 3.54%.

3. Consideration and application of proceeds

The total consideration received by Brimstone for the Disposal will be used to repay certain outstanding debt funding obligations.

4. Conditions precedent

The Disposal is not subject to any conditions precedent.

5. Value of net assets and fair value gain attributable to the Disposal

The fair value of the net assets that are the subject of the Disposal as contained in Brimstone's unaudited interim results for the six months ended 30 June 2017 is R346,765,992 and the fair value gain for the period attributable to the net assets that are the subject of the Disposal is R15,229,238 before taxation and R6,823,326 after taxation (after taking into account the base cost of the shares for capital gains tax purposes).

The financial information contained in this announcement has not been reported on or reviewed by Brimstone's auditors.

6. Categorisation of the Disposal

The Disposal is categorised as a Category 2 transaction in terms of the JSE Listings Requirements.

7 February 2018
Cape Town

Investment Bank, Corporate Advisor and Sponsor
Nedbank Corporate and Investment Banking