

STENPROP LIMITED

(Incorporated in Bermuda)

(Registration number 47031)

BSX share code: STP.BH JSE share code: STP

ISIN: BMG8465Y1093

("Stenprop" or "the Company")

STENPROP

NOTICE TO STENPROP SHAREHOLDERS IN RESPECT OF AN ELECTION TO RECEIVE THE INTERIM DIVIDEND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015 EITHER IN THE FORM OF A CASH DIVIDEND OR A SCRIP DIVIDEND

CASH DIVIDEND OR SCRIP DIVIDEND

On Thursday, 26 November 2015 it was announced that the board of directors of the Company (the "**board**") had approved and declared a distribution of 4.2 Euro cents per share (the "**dividend**") in respect of the six months ended 30 September 2015 and that the board intends offering to shareholders the option to receive in respect of all or a part of their Stenprop shareholding either a scrip dividend by way of an issue of new Stenprop shares (of the same class as existing shares) credited as fully paid up ("**scrip dividend**"), or a cash dividend ("**cash dividend**"). A cash dividend will be paid to shareholders unless shareholders elect to receive the scrip dividend.

Shareholders on the Bermudian register wishing to receive the cash dividend may make a further election to receive the dividend in Sterling instead of in Euros.

Should a shareholder validly elect to receive the scrip dividend *in lieu* of cash for all or part of his Stenprop shareholding, such shareholder will become entitled to a number of new Stenprop shares which value will be at a premium to the cash dividend such shareholder would have otherwise received, derived from a scrip dividend reference price discounted by 3%. A shareholder's entitlement to new Stenprop shares will be calculated by multiplying the number of elected shares held by that shareholder at the record date by the dividend per share of 4.2 Euro cents (converted to Rand at the exchange rate for Stenprop shares on the SA share register) and dividing it by the scrip dividend reference price which will be calculated as follows:

- for Stenprop shares on the Bermudian share register, 97% of the total of:
 - the 5 day volume weighted average traded price of the Stenprop shares on the JSE prior to the announcement of the Rand exchange rate, converted to Euro at the Rand exchange rate,
 - less the amount of the dividend per Stenprop share, or
- for Stenprop shares on the SA share register, 97% of the total of:
 - the 5 day volume weighted average traded price of the Stenprop shares on the JSE prior to the announcement of the Rand exchange rate,
 - less the amount of the dividend per Stenprop share where the dividend amount is converted to Rand at the Rand exchange rate.

The exchange rates are the Euro to Rand and the Euro to Sterling conversion rates to be announced on or before Friday, 8 January 2016.

The rationale for the scrip dividend is to afford shareholders the opportunity to increase their shareholding in Stenprop and to retain flexibility with regard to the Company's cash resources.

The cash dividend will be paid out of the Company's distributable profits. The new Stenprop shares to be issued pursuant to the scrip dividend will be funded from the Company's distributable reserves.

As at the date of this announcement, the Company had 279,720,942 ordinary shares in issue with a par value of EUR0.000001258 each.

A circular in respect of the election being offered to Stenprop shareholders to receive either the cash dividend or the scrip dividend, together with an election form (the "**circular**"), has been posted to shareholders today, Friday, 11 December 2015. Terms defined in the circular shall bear the same meaning in this announcement and subsequent announcements relating to the dividend.

Electronic copies of the circular may be obtained at the Company's SA transfer secretaries, Computershare Investor Services (Proprietary) Limited (please email maria.gomes@computershare.co.za), and hard copies of the circular may be obtained from the Bermudian registrars, Computershare Investor Services (Bermuda) Limited, 2nd Floor, Queensway House, Hilgrove Street, St. Helier, Jersey Channel Islands, JE1 1ES from Friday, 11 December 2015 to Friday, 22 January 2016 during business hours. It will also be available on the website of the Company (www.stenprop.com) from Friday, 11 December 2015.

IMPORTANT DATES AND TIMES

For shareholders on the SA share register

2015	
Record date to receive this circular	Friday, 4 December
Declaration announcement on SENS and posting of the circular on	Friday, 11 December
2016	
Announcement of Euro to Rand and Euro to Sterling conversion rates and scrip dividend reference price released on SENS at 07:00 (SAST) on	Friday, 8 January
Last day to trade on the JSE in order to be eligible for the cash dividend or alternatively the scrip dividend on	Friday, 15 January
Shares commence trading ex the cash dividend or scrip dividend on the JSE on	Monday, 18 January
Record date for shareholders recorded on the SA share register	Friday, 22 January
Closing date for receipt of completed election forms by no later than 12:00 noon (SAST) on	Friday, 22 January
Announcement on SENS of the amount of new Stenprop shares issued on	Monday, 25 January
Dispatch of share certificates, payment of cash dividend, CSDP/broker accounts credited/updated and new Stenprop shares listed on the JSE on	Thursday, 28 January

Notes:

- All dates and times quoted above are local dates and times in South Africa. The above dates and times are subject to change. Any changes will be released on SENS.
- Stenprop shareholders are referred to page 3 of the circular for information on the action required to be taken by them.
- Shareholders should note that new Stenprop shares should not be traded until the new Stenprop shares are issued or reflect in their accounts with their CSDP or broker on Thursday, 28 January 2016.
- Share certificates may not be dematerialised or rematerialised between Monday, 18 January 2016 and Friday, 22 January 2016, both days inclusive nor may transfers of shares between sub-registers in South Africa and Bermuda take place between Monday, 18 January 2016 and Friday, 22 January 2016 both days inclusive.
- Shareholders on the SA share register who do not elect to receive a scrip dividend will receive a cash dividend in South African Rand, based on the exchange rate to be obtained by the Company on or before Friday, 8 January 2016. An announcement in this respect will be made on Friday, 8 January 2016.

For shareholders on the Bermudian share register

2015	
Record date to receive this circular	Friday, 4 December
Declaration announcement on the BSX website and posting of the circular on	Friday, 11 December
2016	
Announcement of Euro to Rand and Euro to Sterling conversion rates and scrip dividend reference price released on the BSX website at 17:00 (AST)/ 21:00 (GMT) on	Thursday, 7 January
Last day to trade on the BSX in order to be eligible for the cash dividend or alternatively the scrip dividend on	Friday, 15 January
Shares commence trading ex the cash dividend or scrip dividend on the BSX on	Monday, 18 January
Record date for shareholders recorded on the Bermudian share register	Friday, 22 January

Closing date for receipt of completed election forms by no later than 08:00 (AST)/ 12:00 noon (GMT) on	Friday, 22 January
Announcement on the BSX website of the amount of new Stenprop shares issued on	Monday, 25 January
Payment of cash dividend, BSD accounts credited/updated and new Stenprop shares listed on the BSX on	Thursday, 28 January

Notes:

1. Unless stated otherwise, all dates and times quoted above are local dates and times in Bermuda. The above dates and times are subject to change. Any changes will be released on the BSX website.
2. Stenprop shareholders are referred to page 3 of the circular for information on the action required to be taken by them.
3. Shareholders should note that new Stenprop shares should not be traded until the new Stenprop shares reflect in their BSD accounts with their broker on Thursday, 28 January 2016.
4. No transfers of shares can take place between sub-registers in South Africa and Bermuda between Monday, 18 January 2016 and Friday, 22 January 2016 both days inclusive.

TAX IMPLICATIONS**SA resident shareholders**

The receipt of the cash dividend or electing to receive the scrip dividend may have tax implications for shareholders.

For those South African resident shareholders receiving the cash dividend, such amount will be regarded as a foreign dividend and may be subject to South African dividends withholding tax at a rate of 15%, unless an exemption as set out in the South African tax legislation applies.

The receipt of new Stenprop shares by South African resident shareholders should not be classified as a dividend or a foreign dividend for South African tax purposes and, accordingly, South African dividends withholding tax should not be levied on the new Stenprop shares. However, the legislation in this regard is complex and its implementation is uncertain. Accordingly, shareholders should seek independent professional tax advice.

Stenprop shareholders are advised to consult their professional advisors regarding the tax consequences of the cash dividend and the scrip dividend or should they be in any doubt as to the appropriate action to take.

There is no withholding tax payable in Bermuda.

Shareholders residing outside of South Africa

The receipt of the cash dividend or electing to receive the scrip dividend may have tax implications for shareholders who are resident in countries other than South Africa and such shareholders are advised to obtain appropriate advice from their professional advisors in this regard.

Stenprop has a dual primary listing on the Bermuda Stock Exchange and the Main Board of the JSE.

11 December 2015

South African corporate advisor and JSE sponsor



Bermuda Stock Exchange sponsor:

Appleby Securities (Bermuda) Ltd