

Spear REIT Limited
(previously known as Arrow 2 Investments Proprietary Limited)
Incorporated in the Republic of South Africa
(Registration number: 2015/407237/06)
Share code: SEA
ISIN: ZAE000228995
Approved as a REIT by the JSE
(**"Spear"** or **"the Company"**)

VOLUNTARY ANNOUNCEMENT - ACQUISITION OF TYGER MANOR RETAIL CENTRE

1. INTRODUCTION

The board of directors of Spear is pleased to advise shareholders that the Company, through its wholly-owned subsidiary Spear Holdco Proprietary Limited ("**Purchaser**"), has entered into a sale of letting enterprise agreement with Accelerate Property Fund Limited ("**Seller**") dated 21 July 2017 ("**the Agreement**") to acquire the property situated on Erf 34109, Bellville, City of Cape Town, known as Tyger Manor Retail Centre ("**the Property**") and the letting enterprise conducted by the Seller as a going concern ("**Letting Enterprise**") in respect of the Property ("**the Acquisition**").

2. RATIONALE

The Acquisition is in line with Spear's strategy to increase its investments in the Tygervalley node and is at a yield of 9,31%, which is accretive to shareholders. The Property is in very close proximity to Spear's existing properties in the area and will allow Spear to enhance value to the Property given Spear's acute understanding of tenant demands in the area.

3. PURCHASE CONSIDERATION

In terms of the Agreement, the purchase price for the Property and the Letting Enterprise is R59 600 000 (inclusive of VAT at a rate of 0%) and will be funded by debt facilities and /or a vendor consideration placing.

4. CATEGORISATION

The Acquisition is uncategorised in terms of the JSE Listings Requirements, and the information contained in this announcement has been voluntarily disclosed by the Company.

26 July 2017

Cape Town

PSG Capital Proprietary Limited
Transaction Adviser and Sponsor