



VISUAL INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2006/030975/06)
("Visual" or "the Company")
ISIN Code: ZAE000187407 Share code: VIS

**GENERAL ISSUE OF SHARES FOR CASH IN SETTLEMENT OF DEFRAYMENT AMOUNT AND
AMENDMENT TO FIRST DRAWDOWN ISSUE PRICE**

Shareholders are reminded that the Company entered into a funding agreement with Milost Global Incorporated ("**Milost**"), as announced on SENS on 15 September 2017 ("**Funding Agreement**").

Following receipt of the funding from the first equity drawn down, as announced on 17 November 2017, 9 090 909 shares were issued ("**Original Share Issue**") to Milost at an issue price of 16.5 cents ("**First Drawdown Issue Price**"), which represented a premium of 50% to the 30-day VWAP of 11 cents per share at the time. The Funding Agreement provides for a mechanism for the payment of a defrayment amount by Visual to Milost if the 5-day volume-weighted average price ("**VWAP**") of Visual's shares during the last 5 (five) trading days of a 90 (ninety) business day period following the receipt of the drawdown funds is not at, or above, the issue price of the shares issued in terms of the drawdown notice.

The aforementioned defrayment amount is to be settled through the issue of additional Visual shares ("**Defrayment Shares**"), which effectively requires an adjustment to the First Drawdown Issue Price. The issue price for the Defrayment Shares, together with the Original Share Issue, is limited to a floor price, being the pricing under the Company's general authority to issue shares for cash, as approved by shareholders at the annual general meeting on 24 January 2018 ("**General Authority**").

Accordingly, shareholders are advised that:

- in accordance with the General Authority, the Company has issued to Milost an additional 6 060 606 ordinary shares of no par value, which will result in the issue of a total of 15 151 515 shares at an issue price of 9.9 cents per share, being a 10% discount to the 30 -day VWAP of 11 cents per share as at 3 November 2017, being the date of the first drawdown issued in accordance with the Funding Agreement. These shares shall rank *pari passu* with the issued ordinary shares of the Company; and
- the issue price of the 9 090 909 shares previously issued in terms of the first drawdown has been amended from 16.5 cents per share to 9.9 cents per share, following the implementation of the mechanism which provides for payment by Visual of a defrayment amount, as discussed above and as contemplated in the Funding Agreement.

Cape Town
6 April 2018

Designated Advisor
Arbor Capital Sponsors Proprietary Limited

