

Phumelela Gaming & Leisure Limited
(Incorporated in the Republic of South Africa)
(Registration number 1997/016610/06)
Share code: PHM ISIN: ZAE000039269
("Phumelela")

General update following the meeting of the board of directors of Phumelela on 12 July 2018

The board of directors of Phumelela has engaged in initial conceptual discussions with stakeholders of thoroughbred horses and breeders and the Thoroughbred Trust ("the Trust") with regards to the administration of horseracing in South Africa and tote betting, which if successful could result in a change in ownership of the administration of horseracing and/or tote betting and /or the restructure thereof ("Restructure").

The Restructure is conceptual at this stage, is very complex and will require numerous approvals and engagement with many industry participants and regulatory bodies.

A further announcement will be made if it becomes likely that agreement can be reached between the relevant parties, which given the complexity and the number of stakeholders involved, is expected to be after approximately 3 months.

Johannesburg

18 July 2018

Sponsor and Financial Advisor: Investec Bank Limited