

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")

Voluntary Quarterly Intrinsic Net Asset Value ("NAV") disclosure

A full analysis of the Intrinsic NAV, together with applicable explanations for the quarter ended 30 September 2018 is set out below.

Summary	Change June 2018 to September 2018	30 September 2018	30 June 2018	31 December 2017	31 December 2016	31 December 2015	31 December 2014	31 December 2013
Intrinsic NAV of Brimstone (Rm)	6.0%	4 260.3	4 020.6	4 317.9	5 133.9	4 229.4	4 862.3	4 187.0
Book NAV (Rm)	19.0%	2 782.9	2 338.4	2 782.0	2 427.1	2 530.3	3 325.0	3 237.6
Intrinsic NAV per share (cents) ¹	6.0%	1 752.3	1 653.7	1 800.9	2 139.5	1 741.4	1 979.4	1 708.8
Fully diluted Intrinsic NAV per share (cents) ¹	6.2%	1 713.7	1 614.0	1 750.9	2 043.1	1 647.8	1 857.8	1 615.6
Book NAV per share (cents)	19.0%	1 144.6	961.8	1 160.3	1 011.5	1 044.0	1 356.3	1 324.0
Market price per share (cents)								
Ordinary shares	2.0%	1 020	1 000	1 300	1 299	1 350	1 700	1 400
'N' Ordinary shares	(2.0)%	980	1 000	1 125	1 200	1 270	1 650	1 400
Discount to Intrinsic NAV								
Ordinary shares		41.8%	39.5%	27.8%	39.3%	22.5%	14.1%	18.1%
'N' Ordinary shares		44.1%	39.5%	37.5%	43.9%	27.1%	16.6%	18.1%

Intrinsic NAV analysis by asset

An analysis of the Intrinsic NAV of Brimstone as at 30 September 2018 is set out below, including the valuation basis of each asset. Where applicable, Intrinsic NAV is net of ring-fenced debt and potential CGT relating to that asset.

Asset	% held	Share price at 30 Sept 2018	Share price at 31 Dec 2017	Valuation basis	Gross value (R'000)	Debt (R'000)	CGT (R'000)	Sep 2018 Intrinsic NAV (R'000)	Sep 2018 Intrinsic NAV per share (cents)	Gross portfolio weighting	December 2017 Intrinsic NAV (R'000)	December 2017 Intrinsic NAV per share (cents)	Increase / (Decrease)
Oceana	17.0%	82.47	85.00	Market value per share	1 897 397	(246 847)	(248 262)	1 402 288	576.8	23.8%	1 082 624	451.5	27.7%
Sea Harvest ²	50.6%	14.00	12.50	Market value per share	1 932 565	-	-	1 932 565	794.9	24.2%	1 725 504	719.7	10.5%
Life Healthcare	3.4%	24.56	27.75	Market value per share	1 215 666	16	(248 541)	967 141	397.8	15.2%	1 278 803	533.4	(25.4)%
Equites	7.7%	20.00	21.00	Market value per share	697 931	(413 617)	(48 397)	235 917	97.0	8.7%	269 059	112.2	(13.5)%
Grindrod – direct ⁴	0.6%	10.30	13.65	Market value per share	43 479	-	9 199	52 678	21.7	0.5%	58 238	24.3	(10.8)%
Phuthuma Nathi	7.0%	141.51	99.22	Market value per share	670 571	(122 038)	(15 020)	533 514	219.4	8.4%	308 650	128.7	70.5%
Tiger Brands			460.00	Option valuation	-	-	-	-	-	0.0%	310 413	129.5	(100.0)%
Stadio & Milpark	5.3%	4.20	8.05	Market value per share & cost	223 564	-	(7 125)	216 439	89.0	2.8%	233 441	97.4	(8.6)%
Long4Life	3.4%	4.70	4.90	Market value per share	145 498	-	-	145 498	59.8	1.8%	184 040	76.8	(22.0)%
Investment properties	100.0%			Capitalisation rate	219 868	(61 031)	(22 627)	136 209	56.0	2.8%	136 566	57.0	(1.6)%
FPG Property Fund	10.0%			Book value	129 771	-	606	130 377	53.6	1.6%			
Lion of Africa	100.0%			Book value	63 003	-	115 984	178 987	73.6	0.8%	200 387	83.6	(11.9)%
MTN Zakhele Futhi ⁵	1.5%			Option valuation	44 207	-	3 632	47 839	19.7	0.6%	68 292	28.5	(30.9)%
Aon Re Africa	18.0%			PE valuation	85 299	-	(17 319)	67 980	28.0	1.1%	51 837	21.6	29.3%
House of Monatic	100.0%			Adjusted book value	28 489	-	-	28 489	11.7	0.4%	16 320	6.8	72.2%
Other investments	Various			Valuation	114 207	-	(8 988)	105 219	43.3	1.4%	92 863	38.7	11.7%
Cash / (net debt)	100.0%			Book value	(11 867)	(1 908 926)	-	(1 920 793)	(790.0)	(0.1)%	(1 699 105)	(708.6)	11.5%
					7 499 648	(2 752 443)	(486 860)	4 260 345	1 752.3	94.0%	4 317 930	1 800.9	
Grindrod – BEE ^{3 4}					476 937	(853 758)	212 548	-	-	6.0%	-	-	
					7 976 584	(3 606 201)	(274 312)	4 260 345	1 752.3	100%	4 317 930	1 800.9	
Intrinsic NAV per share (cents)					3 281	(1 483)	(113)	1 752					
Fully diluted Intrinsic NAV per share (cents)					3 207	(1 449)	(110)	1 714					

Notes:

1. Based on 243.1 million shares (December 2017: 239.8 million shares) in issue, net of treasury shares as calculated below:

	Number of shares in issue	Fully diluted number of shares
Gross number of shares in issue	267 829 690	267 829 690
Treasury shares (fully diluted is net of notionally realised shares issued to staff and management share trusts and FSPs)	(24 701 184)	(18 963 697)
Net shares in issue for INAV purposes	243 128 506	248 865 993

2. No CGT provided on shareholding in Sea Harvest due to potential use of the corporate relief provisions of the Income Tax Act.

3. Due to the limited recourse nature of the Grindrod BEE funding structure, Brimstone's investment is shown at a minimum value of zero.

4. Brimstone now holds a combination of Grindrod Limited and Grindrod Shipping shares. Price shown calculated on a pro forma basis.

5. Valuation of MTN Zakhele Futhi investment treated as an option and was updated by an independent expert as at 30 September 2018.

The INAV information presented has been prepared on a basis consistent with that used in the integrated report for the year ended 31 December 2017 which is available on the Company's website at www.brimstone.co.za.

The above information is the responsibility of the directors and has not been reviewed or reported on by the Company's auditors.

13 November 2018

Sponsor

Nedbank Corporate and Investment Banking