

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

UPDATE IN RESPECT OF THE URGENT APPLICATION

As stated in an announcement on 29 March 2019, the Gauteng Member of the Executive Council responsible for Economic Development, Environment, Agriculture and Rural Development ("the MEC") has amended the Gauteng Gambling Regulations with effect from 1 April 2019.

This includes an amendment which has the effect of depriving Phumelela of its portion of a betting tax levied on punters' winnings on horseracing bets. As a result, on 29 March 2019 Phumelela instituted:

- a. an application to have the amendment to the Gauteng Gambling Regulations reviewed and set aside; and
- b. an urgent application to suspend the implementation of the amended Regulation 276, pending the outcome of the review application.

The urgent application has been opposed by the MEC and the Gauteng Gambling Board. Although it was originally enrolled for hearing on 9 April 2019, the answering affidavit of the MEC and the Gauteng Gambling Board was delivered on 8 April 2019. Accordingly, on 9 April 2019 the application was removed from the roll by agreement between the parties. This removal will enable Phumelela to adequately consider and respond to the answering affidavit. Phumelela intends to re-enrol the urgent application, once it has filed a replying affidavit.

Johannesburg
09 April 2019

Sponsor and Investment Bank
Investec Bank Limited