

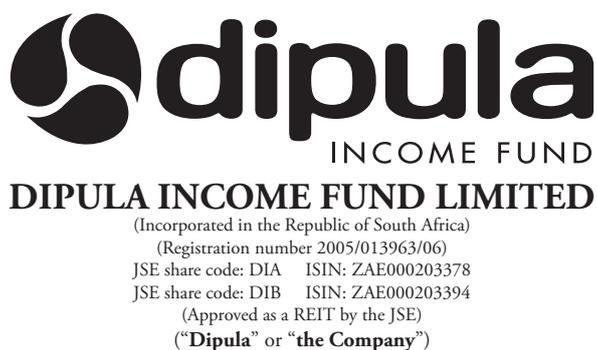
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Action required

THE ATTENTION OF “B” ORDINARY SHAREHOLDERS IS DRAWN TO THE FACT THAT SHOULD THEY NOT ACTION THE CONTENTS OF THIS CIRCULAR, THEY WILL BE DEEMED TO HAVE ELECTED TO RECEIVE THE CASH DIVIDEND.

1. If you wish to receive Dipula Income Fund Limited (“**Dipula**”) “B” ordinary shares of no par value (“**B**” ordinary shares”) and you currently hold certificated “B” ordinary shares, you must complete the attached form of election, in accordance with the instructions contained therein, and lodge it with Link Market Services Proprietary Limited (“**Link Market Services**” or “**the transfer secretaries**”) (i) by hand at 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001, (ii) by post to PO Box 4844, Johannesburg, 2000, (iii) by fax to 086 674 3330, or (iv) by email to corpactfax@linkmarketservices.co.za, to be received no later than 12:00 on Friday, 4 December 2015. Forms of election received after this date and time will not be accepted.
2. If you wish to receive “B” ordinary shares and you have dematerialised your current holding of “B” ordinary shares with a Central Securities Depository Participant (“**CSDP**”) or broker, you must instruct your CSDP or broker accordingly in terms of the custody agreement entered into between you and your CSDP or broker.
3. If you have disposed of all of your “B” ordinary shares you should forward this circular, together with the attached form of election, to the purchaser to whom, or the broker, CSDP or agent through whom, you disposed of your “B” ordinary shares.
4. The dividend contemplated in this circular and/or accompanying documents and the right to elect to receive “B” ordinary shares in jurisdictions other than the Republic of South Africa (“**South Africa**”) may be restricted by law, and failure to comply with any such restrictions may constitute a violation of the securities laws of the relevant jurisdiction(s). The right to elect to receive “B” ordinary shares is not applicable and is not being offered, directly or indirectly, in the United Kingdom, European Economic Area or EEA, Canada, United States of America, Japan or Australia, unless certain exemptions from the requirements of those jurisdictions are applicable.
5. The commentary regarding tax implications, as contained in paragraph 5 of this circular, should not be construed as tax advice. If you are in any doubt as to the tax implications of your unique circumstances, please consult your tax advisor.
6. If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, legal advisor, accountant or other professional advisor.

Dipula does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of any holder of dematerialised “B” ordinary shares to notify such shareholder of the contents of this circular.



Board of Directors:

Zanele Matlala (chairperson)*, Izak Petersen (chief executive officer), Ridwaan Asmal (financial director), Saul Gumede, Brian Azizollahoff*, Younaid Wajaja*, Eltie Links*, Syd Halliday*

* Independent non-executive

CIRCULAR TO DIPULA “B” ORDINARY SHAREHOLDERS

regarding

THE ELECTION TO REINVEST THE CASH DIVIDEND FOR THE YEAR ENDED 31 AUGUST 2015 IN RETURN FOR “B” ORDINARY SHARES

Salient dates and times

2015

Circular and form of election posted to “B” ordinary shareholders	Thursday, 12 November
Finalisation information including the share ratio and re-investment price per “B” ordinary share, published on SENS	Friday, 20 November
Last day to trade in order to participate in the election to receive the share re-investment alternative or to receive a cash dividend (“ LDT ”)	Friday, 27 November
Shares trade <i>ex-dividend</i>	Monday, 30 November
Listing of maximum possible number of “B” ordinary shares under the share re-investment alternative	Wednesday, 2 December
Last day to elect to receive the share re-investment alternative (by 12:00 South African time) (no late forms of election will be accepted)	Friday, 4 December
Record date for the election to receive the share re-investment alternative (“ record date ”)	Friday, 4 December
Announcement of results of the share re-investment alternative released on SENS	Monday, 7 December
Cash dividend cheques posted to certificated “B” ordinary shareholders on or about	Monday, 7 December
Dematerialised “B” ordinary shareholder accounts credited with the cash dividend payment by CSDP or broker	Monday, 7 December
“B” ordinary share certificates posted to certificated “B” ordinary shareholders on or about	Wednesday, 9 December
Dematerialised “B” ordinary shareholder accounts updated with the “B” ordinary shares (if applicable) by CSDP or broker	Wednesday, 9 December
Adjustment to number of “B” ordinary shares listed on or about	Friday, 11 December

Notes:

1. “**B**” ordinary shareholders electing to participate in the share re-investment alternative are alerted to the fact that the new “**B**” ordinary shares will be listed on **LDT + 3** and can therefore only be traded on **LDT + 3**. This is due to the fact that settlement of the “**B**” ordinary shares will be three days after the record date, which differs from the conventional one day after record date settlement process.
2. “**B**” ordinary shares may not be dematerialised or rematerialised between Monday, 30 November 2015 and Friday, 4 December 2015, both days inclusive.
3. The above dates and times are subject to change. Any changes will be released on SENS.

Corporate Advisor and Sponsor

JAVACAPITAL

Date of issue: Thursday, 12 November 2015

This circular is only available in English. Copies may be obtained at Dipula’s registered office, Block B Dunkeld Park, 6 North Road, Dunkeld West, Johannesburg 2196 between 08:00 and 16:00 from Thursday, 12 November 2015 to Friday, 4 December 2015 or on Dipula’s website at www.dipula.co.za.

CIRCULAR TO DIPULA "B" ORDINARY SHAREHOLDERS

1. INTRODUCTION

On 11 November 2015 it was announced on SENS that the directors of Dipula declared a final cash dividend of 44.95016 cents per "B" ordinary share ("cash dividend") for the year ended 31 August 2015.

Dipula shareholders holding "B" ordinary shares ("B" ordinary shareholders) may now elect, in respect of all or part of their "B" ordinary shareholding, to re-invest the cash dividend in return for "B" ordinary shares ("share re-investment alternative"), failing which they will receive the cash dividend. By electing to participate in the share re-investment alternative, "B" ordinary shareholders will be able to increase their "B" ordinary shareholding in Dipula without incurring dealing costs. In turn, Dipula will benefit from an increase in the amount of shareholders' funds available to support continued growth.

2. PURPOSE OF THIS CIRCULAR

The purpose of this circular is to provide "B" ordinary shareholders with information regarding the share re-investment alternative.

This circular is issued to "B" ordinary shareholders only. Holders of Dipula "A" ordinary shares are not entitled to participate in the share re-investment alternative in respect of all or part of their "A" ordinary shareholding and will receive the cash dividend declared by the directors in respect of the "A" ordinary shares on 11 November 2015.

3. THE SHARE RE-INVESTMENT ALTERNATIVE

"B" ordinary shareholders who elect to participate in the share re-investment alternative will receive a number of "B" ordinary shares determined with reference to the ratio that the cash dividend of 44.95016 cents per "B" ordinary share bears to the reinvestment price (being up to a 2.5% discount to either the spot or the five-day volume weighted average traded price (less the cash dividend) of "B" ordinary shares on the JSE prior to the finalisation date). The re-investment price will be announced on the finalisation date, which will be no later than Friday, 20 November 2015.

"B" ordinary shareholders may participate in the share re-investment alternative in respect of all or part of their "B" ordinary shareholding as at the record date. If an election is made to participate in the share re-investment alternative in respect of part of a shareholding, "B" ordinary shareholders will receive the cash dividend in respect of the "B" ordinary shares in respect of which the election is not made.

3.1 Procedure for "B" ordinary shareholders to participate in the share re-investment alternative

"B" ordinary shareholders who hold certificated "B" ordinary shares and who wish to participate in the share re-investment alternative must complete the attached form of election, in accordance with the instructions contained therein, and lodge it with the transfer secretaries. Forms of election can be (i) delivered to Link Market Services at 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001, (ii) posted to PO Box 4844, Johannesburg, 2000, (iii) faxed to 086 674 3330, or (iv) emailed to compactfax@linkmarketservices.co.za, to be received by them by no later than 12:00 on Friday, 4 December 2015. Forms of election received after this date and time will not be accepted. Link Market Services will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of posted, faxed or emailed forms of election or owing to forms of election being forwarded to any other post, fax or email address other than those provided above. In the case of forms of election delivered via fax or email, such forms will be deemed to have been received on the date reflected in Link Market Services' fax or electronic systems. Notwithstanding anything to the contrary contained in this circular, it is the "B" ordinary shareholder's responsibility to ensure that their forms of election are received by Link Market Services.

"B" ordinary shareholders who have dematerialised their "B" ordinary shares through a CSDP or broker must not complete the attached form of election, but should instead instruct their CSDP or broker that they wish to participate in the share re-investment alternative in terms of the custody agreement entered into between them and their CSDP or broker.

3.2 Fractions

Trading in the Strate environment does not permit fractions and fractional entitlements. Accordingly, where a "B" ordinary shareholder's entitlement to "B" ordinary shares calculated in accordance with the formula mentioned above gives rise to a fraction of a "B" ordinary share, such fraction will be rounded up to the nearest whole number where the fraction is greater than or equal to 0.5 and rounded down to the nearest whole number where the fraction is less than 0.5.

3.3 Posting of share certificates and crediting of CSDP or broker accounts

"B" ordinary share certificates will be dispatched to certificated "B" ordinary shareholders who have elected to participate in the share re-investment alternative at the risk of such shareholders on or about Wednesday, 9 December 2015, to the address indicated on the form of election, via registered post. Dematerialised shareholders' CSDP or broker accounts will be credited with "B" ordinary shares on Wednesday, 9 December 2015.

4. THE CASH DIVIDEND

4.1 Procedure for "B" ordinary shareholders to receive the cash dividend

Subject to the terms contained in this circular, "B" ordinary shareholders recorded in the register of Dipula at close of business on the record date and who have not elected to participate in the share re-investment alternative will be paid the cash dividend in respect of all the "B" ordinary shares held by them on the record date. "B" ordinary shareholders who wish to receive the cash dividend do not therefore need to take any further action.

4.2 Receipt of the cash dividend

The cash dividend will be paid via electronic transfer into the personal bank accounts of certificated "B" ordinary shareholders who have not elected the share re-investment alternative only in the event that the transfer secretaries are already in possession of their banking details. Where the transfer secretaries do not have the banking details of the aforesaid certificated "B" ordinary shareholders, dividend cheques will be dispatched at the risk of such "B" ordinary shareholders on or about Monday, 7 December 2015 to their registered addresses or in accordance with the instructions given to the transfer secretaries. In the case of dematerialised "B" ordinary shareholders, the cash dividend will be credited to such "B" ordinary shareholders' accounts held at their CSDP or broker on Monday, 7 December 2015.

5. TAX IMPLICATIONS

The cash dividend and share re-investment alternative may have tax implications for South African resident as well as non-resident shareholders. Shareholders are therefore encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

Dipula was granted status as a Real Estate Investment Trust ("REIT") by the JSE Limited with effect from 1 September 2013 in line with the REIT structure provided for in the Income Tax Act, No. 58 of 1962 (the "Income Tax Act") and section 13 of the JSE Listings Requirements.

The REIT structure is a tax regime that allows a REIT to deduct qualifying distributions paid to investors in determining its taxable income.

The cash dividend of 44.95016 cents per "B" ordinary share meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act ("qualifying distribution") with the result that:

– qualifying distributions received by a South African resident "B" ordinary shareholder, it must be included in the gross income of such shareholder (as a non-exempt dividend in terms of section 10(1)(k)(aa) of the Income Tax Act) with the effect that the qualifying distribution is taxable as income in the hands of the shareholder. The qualifying distribution is, however, exempt from dividends withholding tax, provided that the relevant "B" ordinary shareholder provided the following forms to their CSDP or broker, as the case may be, in the case of dematerialised "B" ordinary shares, or to the Company, in the case of certificated "B" ordinary shares:

- a declaration that the qualifying distribution is exempt from dividends tax; and
- a written undertaking to inform the CSDP, broker or the Company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner of the relevant "B" ordinary shares cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. "B" ordinary shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if they have not already been submitted.

– qualifying distributions received by a non-resident "B" ordinary shareholder, will not be taxable as income and will instead be treated as an ordinary dividend exempt in terms of the usual dividend exemptions per section 10(1)(k) of the Income Tax Act. It should be noted that until 31 December 2013, qualifying distributions received by non-residents were not subject to dividends withholding tax. From 1 January 2014, any qualifying distribution will be subject to dividends withholding tax at 15%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the relevant shareholder. Assuming dividends withholding tax will be withheld at a rate of 15%, the net dividend amount due to non-resident "B" ordinary shareholders is 38.20764 cents per "B" ordinary share. A reduced dividend withholding rate in terms of the applicable DTA may only be relied upon if the non-resident "B" ordinary shareholder has provided the following forms to their CSDP or broker, as the case may be, in the case of dematerialised "B" ordinary shares, or to the Company, in the case of certificated "B" ordinary shares:

- a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- a written undertaking to inform the CSDP, broker or the Company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner of the relevant "B" ordinary shares cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. If applicable, non-resident "B" ordinary shareholders are advised to contact their CSDP, broker or the Company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the cash dividend if they have not already been submitted.

"B" ordinary shareholders are advised that pre-taxation funds are utilised for the purposes of the share re-investment alternative and that tax will be due on the total cash dividend amount of 44.95016 cents per "B" ordinary share.

Other information:

- The ordinary issued share capital of Dipula before any participation in the share re-investment alternative is 202 178 537 "A" ordinary shares and 203 351 039 "B" ordinary shares
- Income Tax Reference Number of Dipula: 9743/798/14/3

6. LISTING OF NEW DIPULA SHARES

Application will be made to the JSE for the maximum possible number of "B" ordinary shares to be issued in terms of the share re-investment alternative to be listed with effect from the commencement of trade on Wednesday, 2 December 2015. A further application will be made to the JSE to adjust the maximum number of new "B" ordinary shares listed to take into account the actual number of "B" ordinary shares issued to "B" ordinary shareholders on or about Friday, 11 December 2015.

7. FOREIGN SHAREHOLDERS

The cash dividend and the right to elect shares under the share re-investment alternative in jurisdictions other than South Africa may be restricted by law, and a failure to comply with any of these restrictions may constitute a violation of the securities laws of the relevant jurisdiction(s). "B" ordinary shares have not been and will not be registered for the purposes of the share re-investment alternative under the securities laws of the United Kingdom, European Economic Area or EEA, Canada, United States of America, Japan or Australia and accordingly are not being offered, sold, taken up, re-sold or delivered directly or indirectly to recipients with registered addresses in such jurisdictions.

8. EXCHANGE CONTROL

In terms of the Exchange Control Regulations of South Africa:

8.1 in the case of certificated "B" ordinary shareholders:

- any share certificate that might be issued to non-resident "B" ordinary shareholders will be endorsed "non-resident";
- any new share certificates and cash dividend payments based on emigrants' "B" ordinary shares controlled in terms of the Exchange Control Regulations will be forwarded to the authorised dealer in foreign exchange controlling their blocked assets. The election by emigrants for the above purpose must be made through the authorised dealer in foreign exchange controlling their blocked assets. Such new share certificates will be endorsed "non-resident"; and
- cash dividend payments due to non-residents are freely transferable from South Africa. In respect of all non-residents of the common monetary area (collectively South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland), the cash dividend payments due will be sent to the registered address of the "B" ordinary shareholder concerned or in accordance with instructions given to the transfer secretaries; and

8.2 in the case of dematerialised "B" ordinary shareholders:

- any "B" ordinary shares issued to emigrants from the common monetary area and all other non-residents of the common monetary area will be credited to their CSDP or broker's account and a "non-resident" annotation will appear in the CSDP or broker's register;
- any cash dividend paid to emigrants from the common monetary area will be credited to their CSDP or broker's accounts which will arrange for the same to be credited directly to the "B" ordinary shareholder's blocked Rand account held by that shareholder's authorised dealer and held to the order of that authorised dealer; and
- any cash dividend paid to non-resident "B" ordinary shareholders who are not emigrants from the common monetary area will be credited directly to the bank account nominated for the relevant shareholders, by their duly appointed CSDP or broker.
- non-resident and emigrant dematerialised shareholders will have all aspects relating to exchange control managed by their CSDP or broker.

For and on behalf of
Dipula Income Fund Limited
Izak Petersen
Chief Executive Officer



DIPULA INCOME FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/013963/06)

JSE share code: DIA ISIN: ZAE000203378

JSE share code: DIB ISIN: ZAE000203394

(Approved as a REIT by the JSE)

("Dipula" or "the Company")

FORM OF ELECTION

For use only by "B" ordinary shareholders who hold "B" ordinary shares in certificated form who wish to receive "B" ordinary shares in terms of the share re-investment alternative.

Dematerialised "B" ordinary shareholders who wish to participate in the share re-investment alternative must instruct their CSDP or broker accordingly in terms of the custody agreement entered into between them and their CSDP or broker. **These shareholders must not complete this form of election.**

No further action is required by "B" ordinary shareholders who wish to receive the cash dividend. Such shareholders must not complete this form of election.

Holders of Dipula "A" ordinary shares are not entitled to participate in the share re-investment alternative and must not complete this form of election.

"B" ordinary shareholders electing to participate in the share re-investment alternative are alerted to the fact that the new "B" ordinary shares will be listed on LDT + 3 and can therefore only be traded on LDT +3. This is due to the fact that settlement of the "B" ordinary shares will be three days after the record date, which differs from the conventional one day after record date settlement process.

I/We,

(name/s in BLOCK LETTERS)

regarding the election:

- hereby irrevocably elect to receive that number of "B" ordinary shares under the share re-investment alternative, which number will be determined with reference to the ratio that 44.95016 cents per "B" ordinary share bears to the re-investment price (being up to a 2.5% discount to either the spot or the five-day volume weighted average traded price (less the cash dividend) of "B" ordinary shares on the JSE prior to the finalisation date, which will be no later than Friday, 20 November 2015), in respect of the number of "B" ordinary shares as reflected overleaf on terms and conditions contained in this form of election and in the accompanying circular;
- acknowledge that this form of election is applicable only in respect of "B" ordinary shares of which I/we was/were the registered holder(s) on the close of business on the record date, being Friday, 4 December 2015; and
- acknowledge that I/we am/are not entitled to a cash dividend of 44.95016 cents per "B" ordinary share in respect of "B" ordinary shares for which the share re-investment alternative is elected.

Signed at

on

2015

Signature

Telephone number: ()

Cellphone number

Email address

Assisted by (where applicable)

PLEASE READ THE NOTES OVERLEAF.

Forms of election must be lodged with, posted, faxed or emailed to the transfer secretaries, Link Market Services South Africa Proprietary Limited:

Hand deliveries to:

Link Market Services South Africa Proprietary Limited
13th Floor, Rennie House
19 Ameshoff Street
Braamfontein
2001

Postal deliveries to:

Link Market Services South Africa Proprietary Limited
(PO Box 4844, Johannesburg, 2000)

Facsimile deliveries to:

086 674 3330

Email deliveries to:

corpactfax@linkmarketservices.co.za

To be received by no later than 12:00 on Friday, 4 December 2015

Name and address of registered "B" ordinary shareholder	Account number
	<p style="text-align: right;"><i>Enquiries in connection with this form of instruction should be addressed to the transfer secretaries, quoting this account number</i></p>

Number of "B" ordinary shares held or deemed to be held on the record date, being Friday, 4 December 2015	Maximum cash dividend to which you will become entitled based on the number of "B" ordinary shares held or deemed to be held on the record date, being Friday, 4 December 2015, should you not elect to participate in the share re-investment alternative	Number of "B" ordinary shares for which the share re-investment alternative is elected (the maximum number of "B" ordinary shares for which the share re-investment alternative can be made is the number of "B" ordinary shares registered in your name in Dipula's share register on the record date)

Date of signature	Signature
Email address	

Notes:

1. The election may be made in respect of all or any of the "B" ordinary shares registered or deemed to be registered in the name of the "B" ordinary shareholder at the close of business on the record date.
2. The signature on the form of election of any person who is under legal disability shall be accompanied by the signature of such person's parent or guardian or legal representative, as the case may be.
3. In order to be valid, this form of election must be properly completed and lodged with, posted, faxed or emailed to the transfer secretaries at the address indicated above to be received by them by no later than 12:00 on Friday, 4 December 2015. Forms of election received after this date and time will not be accepted. Link Market Services will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of posted, faxed or emailed forms of election or owing to forms of election being forwarded to any other post, fax or email address other than those provided above. In the case of forms of election delivered via fax or email, such forms will be deemed to have been received on the date reflected in Link Market Services' fax or electronic systems. Notwithstanding anything to the contrary contained in this circular, **it is the "B" ordinary shareholder's responsibility to ensure that their forms of election are received by Link Market Services.**
4. Dipula reserves the right in its discretion to:
 - 4.1 treat as invalid (in which case the cash dividend will be paid) any form of election not complying with the terms of the share re-investment alternative or any instruction contained herein; and/or
 - 4.2 require proof of the authority of the person signing this form of election where such proof has not yet been lodged with or recorded by the transfer secretaries.
5. Any and every alteration or correction made to this form of election must be initialled by the signatory(ies).