

FORM OF INSTRUCTION FOR A CERTIFICATED SHAREHOLDER IN RESPECT OF A LETTER OF ALLOCATION

IMPORTANT: If you are in doubt as to what action to take in relation to this Form of Instruction, please consult your CSDP, Broker, attorney, accountant, banker or other professional advisor immediately.

This Form of Instruction in respect of a Letter of Allocation should be read together with the Circular to Shareholders dated 17 January 2017

Words and expressions defined in the Circular shall have the same meanings in this Form of Instruction. The rights to Rights Offer Shares have been issued in dematerialised form, are negotiable and can be sold on the JSE.

The electronic record for Certificated Phumelela Shares is being maintained by the Transfer Secretaries. This has made it possible for Certificated Shareholders, who are eligible to participate in the Rights Offer, to enjoy the same rights and opportunities as those Shareholders who have already dematerialised their Phumelela Shares.

Should you wish to take up, sell or renounce all or part of the rights to which you are entitled in terms of the Rights Offer, you must complete this Form of Instruction and return it to the Transfer Secretaries at the address set out at the foot of this page.

Each alteration must be signed in full and not merely initialled.

EXCHANGE CONTROL
REGULATIONS
ENDORSEMENT
(see page 2 paragraph 5)



Phumelela Gaming

Phumelela Gaming and Leisure Limited

(Incorporated in the Republic of South Africa)

(Registration number 1997/016610/06)

JSE share code: PHM

ISIN: ZAE000039269

("Phumelela" or "the Company")

A FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION

A renounceable Rights Offer that seeks to raise R289 million through the issue of 16 602 230 Rights Offer Shares to Shareholders at a Rights Offer Issue Price of R17.39 each in the ratio of 21.91067 Rights Offer Shares for every 100 Phumelela Shares held at the close of business on Friday, 20 January 2017

2017

Declaration date announcement released on SENS on	Tuesday, 10 January
Declaration date announcement published in the press on	Wednesday, 11 January
Finalisation date announcement released on SENS on	Wednesday, 11 January
Finalisation date announcement published in the press on	Thursday, 12 January
Last day to trade in Phumelela Shares in order to participate in the Rights Offer	Tuesday, 17 January
Listing and trading of Letters of Allocation on the JSE under JSE code: PHMN and ISIN: ZAE000231437	Wednesday, 18 January
Phumelela Shares commence trading on the JSE ex-Rights Offer entitlement	Wednesday, 18 January
Rights Offer Circular and Form of Instruction distributed to Certificated Shareholders	Thursday, 19 January
Record Date for determination of Shareholders entitled to participate in the Rights Offer (Initial Record Date)	Friday, 20 January
Dematerialised Shareholders will have their accounts at their CSDP or Broker automatically credited with their entitlement	Monday, 23 January
Certificated Shareholders on the Register will have their entitlement credited to their accounts held with the Transfer Secretaries	Monday, 23 January
Rights Offer opens at 09:00	Monday, 23 January
Rights Offer Circular distributed to those Dematerialised Shareholders who have elected to receive documents in hard copy	Tuesday, 24 January
Last day to trade Letters of Allocation on the JSE	Tuesday, 31 January
Rights Offer Shares listed and trading therein commences on the JSE	Wednesday, 1 February
Payment to be made and Form of Instruction to be lodged with the Transfer Secretaries by Certificated Shareholders by 12:00 on	Friday, 3 February
Rights Offer closes at 12:00	Friday, 3 February
Record Date for Letters of Allocation (Final Record Date)	Friday, 3 February
Rights Offer Shares issued	Monday, 6 February
Dematerialised Shareholders' accounts updated and debited by CSDP or Broker (in respect of payment for Rights Offer Shares)	Monday, 6 February
Certificates distributed to Certificated Shareholders (in respect of the Rights Offer Shares)	Monday, 6 February
Results of Rights Offer announced on SENS	Monday, 6 February
Results of Rights Offer announced in the press	Tuesday, 7 February
Refunds (if any) to Certificated Shareholders in respect of unsuccessful excess applications made	Wednesday, 8 February
Dematerialised Shareholders' accounts updated and debited by their CSDP or Broker (in respect of successful excess applications)	Wednesday, 8 February
Certificates distributed to Certificated Shareholders (in respect of successful excess applications)	Wednesday, 8 February

Notes:

- All references to dates and times are to local dates and times in South Africa.
- Dematerialised Shareholders are required to inform their CSDP or Broker of their instructions in terms of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between the Shareholder and their CSDP or Broker.
- Share certificates may not be dematerialised or rematerialised between 18 January 2017 and 20 January 2017, both days inclusive
- Dematerialised Shareholders will have their accounts at their CSDP or Broker automatically credited with their rights and Certificated Shareholders will have their rights credited to their accounts at the Transfer Secretaries.
- CSDPs effect payment in respect of Dematerialised Shareholders on a delivery-versus-payment method.

Dear Sir/Madam

1. RIGHTS OFFER

Phumelela hereby offers, upon the terms and conditions stated in the Circular dated Tuesday, 17 January 2017 (which shall, if in conflict with the information set out below, take precedence) to the holder(s) of the number of Phumelela Shares in Block (2), recorded in the Register at the close of business on Friday, 20 January 2017, rights to subscribe for the number of Rights Offer Shares set out in Block (3).

The Rights Offer Issue Price is R17.39 per Rights Offer Share, payable in Rand.

2. ALLOCATION

The number of Rights Offer Shares stated in Block (3) has been allocated for subscription to the Shareholder/s named in Block (1). The allocation of Rights Offer Shares will be such that Shareholders will not be allocated a fraction of a Rights Offer Share.

3. ACCEPTANCE

Shareholders who wish to accept the offer to subscribe for Rights Offer Shares must complete Blocks (5), (6) and (9).

3.1 If the Shareholder whose name appears in Block (1), wishes to subscribe for the Rights Offer Shares stated in Block (3) (or any lesser number), this Form of Instruction, duly completed together with payment in terms of 3.2 below, must be delivered or sent by registered post (in the latter case, at the sender's risk) to the Transfer Secretaries, to be received by 12:00 on Friday, 3 February 2017. All acceptances of the Rights Offer sent by post by the beneficial holder will be accepted provided the envelope is received by no later than 12:00 on Friday, 3 February 2017.

3.2 Payment for the Rights Offer Shares subscribed for must be made in full by way of an EFT. The Computershare Call Centre – Corporate Actions should be contacted on 0861 100 634 during business hours from 08:00 to 16:30 in order to obtain banking details and reference number for the deposits. Electronic forms and proof of EFT payment may be faxed to +27 11 688 5210 or emailed to corporate.events@computershare.co.za. Kindly note that this is for subscription of Rights only and is not for selling of the Rights.

In the case of a foreign Shareholder, payment for the Rights Offer Shares subscribed for must be made in full by way of a banker's draft drawn on a registered commercial bank (each of which should be crossed and marked "not transferable" in favour of "Phumelela Rights Offer") for the amounts payable in Rand and lodged together with this duly completed Form of Instruction with the Transfer Secretaries as follows:

Hand delivered to:

Computershare Investor Services
Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
2196

Electronic forms may be faxed to +27 11 688 5210 or emailed to corporate.events@computershare.co.za. Kindly note that this is for subscription of Rights only and is not for selling of the Rights.

3.3 The lodging or posting of this duly completed Form of Instruction and the proof of payment of the relevant EFT/banker's draft in compliance with 3.1 and 3.2 above will be an acceptance of the Rights Offer by the Shareholder concerned and an irrevocable authority to allot the Rights Offer Shares in question, subject to the Memorandum of Incorporation of Phumelela.

3.4 No receipt will be given for an EFT/banker's draft received in accordance with this Rights Offer.

3.5 All bankers' drafts received will be deposited immediately for payment. Should any payment be refused, Phumelela may in its sole discretion treat the relevant acceptance of Rights Offer Shares, if any, as void or may tender delivery of the appropriate Phumelela Share certificate to which this acceptance relates against payment in cash of the amount payable in terms thereof.

3.6 If this Form of Instruction is not lodged and completed fully and properly (the Transfer Secretaries shall be entitled to determine in their sole and absolute discretion whether such Form of Instruction has been completed fully and properly), and payment of the required amount is not received by 12:00 on Friday, 3 February 2017, in terms of the provisions of 3.1 above, then the Shareholder will be deemed to have declined the offer to subscribe for Rights Offer Shares in terms of the Rights Offer and the right to subscribe for Rights Offer Shares offered in terms of this Form of Instruction will lapse irrespective of who holds it.

4. RENUNCIATION OR SALE

4.1 If the Shareholder whose name appears in Block (1) wishes to sell or renounce part or all of his/her rights, then:

4.1.1 such Shareholder must complete Form A or Form B (whichever is applicable) on page 3 of this Form of Instruction. This must be sent to the Transfer Secretaries in accordance with the instructions contained therein, to be received by no later than 12:00 on Tuesday, 31 January 2017 if you wish to sell your entitlement and by no later than 12:00 on Friday, 3 February 2017 if you wish to renounce your entitlement. The Transfer Secretaries will endeavour to procure the sale of the rights on the JSE on behalf of such Certificated Shareholders and will remit the proceeds in accordance with the payment instructions reflected in the Form of Instruction, net of Brokerage charges and associated expenses. The Transfer Secretaries will not have any obligation, or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such entitlements; and

4.1.2 the renouneece who wishes to accept the Rights Offer must complete Form C on page 3 of this Form of Instruction. The renouneece must also lodge this Form of Instruction and make payment, in terms of paragraph 3, for the Rights Offer Shares in respect of which the Rights Offer is accepted.

4.2 The lodging of this Form of Instruction, with Form B purporting to be signed by the Shareholder/s whose name/s appears thereon, will be conclusive evidence of the right of the renouneece:

4.2.1 to deal with this Form of Instruction; or

4.2.2 to have the rights in question allotted and receive certificates in respect thereof. Phumelela will not be obliged to investigate whether Form B or Form C has been properly signed or investigate any fact surrounding the signing or lodging of such forms.

5. EXCESS APPLICATIONS

Offerees and/or their renouneecees have the right to apply for Rights Offer Shares in excess of their entitlement. The right to apply for excess Rights Offer Shares is transferable upon renunciation. Applications for additional Rights Offer Shares may be made by completing Blocks (7) and (8) on page 4. Such excess Rights Offer Shares will be equitably attributed based on the number of Phumelela Shares held and the number of excess Rights Offer Shares applied for, as set out in paragraph 3.5 of the Circular.

**By order of the Board
PHUMELELA GAMING AND LEISURE LIMITED
F Moloi
Company Secretary
Johannesburg**

GENERAL INSTRUCTIONS AND NOTES

1. POWERS OF ATTORNEY

If this Form of Instruction is signed under a power of attorney then such power of attorney must be sent to the Transfer Secretaries, for registration, unless it has already been registered by them.

2. DECEASED ESTATES AND TRUSTS

Rights Offer Shares will not be allocated in the name of a deceased estate, a trust or a person under contractual disability.

Therefore, when the right to Rights Offer Shares has accrued to a deceased person, an estate or a trust, the executor or trustee, parent/guardian or curator (as the case may be) must complete Form B on page 3 of this Form of Instruction in his representative capacity (which authority must be lodged with the Transfer Secretaries) and Form C on page 3 of this Form of Instruction must be completed by the person in whose name the Rights Offer Shares are to be allocated without any reference to the estate, the trust or the beneficial owner. Letters of Executorship (if not previously registered) should be submitted to the Transfer Secretaries for record purposes.

3. JOINT HOLDERS

All joint holders of Phumelela Shares must sign where applicable.

4. SHARE CERTIFICATES

4.1 If the Rights Offer is accepted, then the Phumelela Share certificate will be posted, on or about Wednesday, 8 February 2017, to the Certificated Shareholder's address as shown in the Register at such Certificated Shareholder's risk or, if an alternate address is given in the "Postal instructions" on page 3 of this Form of Instruction, to such address.

4.2 As Phumelela uses the "certified transfer deeds and other temporary Documents of Title" procedure approved by the JSE, "block" certificates will be issued in respect of Rights Offer Shares.

5. EXCHANGE CONTROL REGULATIONS

5.1 The following summary is intended only as a guide and is therefore not comprehensive. If you are in any doubt as to the appropriate course of action, please consult your professional advisor.

5.2 In terms of the Exchange Control Regulations governing the Rights Offer, a "non-resident" endorsement has been applied to Letters of Allocation issued to Shareholders who are non-residents of the Common Monetary Area.

5.3 In terms of the Exchange Control Regulations non-residents who are not former residents may:

5.3.1 take up rights allocated to them in terms of the Rights Offer;

5.3.2 purchase rights on the JSE; and/or

5.3.3 subscribe for the Rights Offer Shares,

provided payment is received through normal banking channels or from a non-resident account. Share certificates issued pursuant to the application must be endorsed "non-resident".

5.4 Where rights are sold on the JSE on behalf of Shareholders who are non-residents of the Common Monetary Area, the proceeds of such shares are freely remittable through an authorised dealer in foreign exchange.

5.5 Where a right in terms of the Rights Offer falls due to an Emigrant of the Common Monetary Area, which right is based on an investment which is blocked in terms of the Exchange Control Regulations, then blocked funds may be used to:

5.5.1 take up rights allocated to such Emigrant in terms of the Rights Offer;

5.5.2 purchase rights on the JSE; and/or

5.5.3 subscribe for Rights Offer Shares in terms of the Rights Offer.

5.6 All applications by Emigrants using blocked Rands for the above purposes must be made through the South African authorised dealer controlling their blocked assets. Phumelela Share certificates issued pursuant to blocked Rand transactions must be endorsed "non-resident" and placed under the control of the authorised dealer through whom the payment was made.

5.7 Where rights are sold on the JSE on behalf of Shareholders or renouneecees who are Emigrants, which rights are based on an investment which is blocked in terms of the Exchange Control Regulations, the proceeds of such sales will be credited to their respective blocked Rand accounts.

6. NON-RESIDENT SHAREHOLDERS

The attention of Shareholders resident outside the Common Monetary Area is drawn to paragraphs 7 and 8 of the Circular. It is the responsibility of all such persons (including without limitation, nominees and trustees) wishing to accept the Rights Offer to satisfy themselves of the full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes in connection therewith due in such territory.

7. JSE LISTINGS

The JSE has granted a listing of the rights (in terms of the Letters of Allocation) to be issued in respect of the Rights Offer Shares with effect from Wednesday, 18 January 2017 to Tuesday, 31 January 2017, both days inclusive.

FORM A: INSTRUCTION TO ENDEAVOUR TO PROCURE THE SALE OF THE RIGHTS ON THE JSE

PLEASE USE BLOCK LETTERS

(To be signed by Shareholders named in Block (I) if the right to the Rights Offer Shares is to be sold on the JSE)

To the Directors,

Phumelela Gaming and Leisure Limited

I/We hereby instruct Computershare Investor Services Proprietary Limited to pay the proceeds, if any, of the sale of the rights allocated to me/us in terms of this Form of Instruction (less R154.48 (all inclusive) for trades of less than R40,000 and R154.48 (all inclusive) plus 0.35% of the value of trades for amounts equal to or greater than R40,000). If all of the Shareholder's rights to Rights Offer Shares are not being sold, please specify in the block how many of the rights are being sold.

Signed

Date

2017

Stamp and endorsement of selling Broker (if any)

Payment Instructions:

Tick appropriate box

1. By cheque, which should be posted at my/our own risk to the following address:

In order to comply with the requirements of the Financial Intelligence Act, 2001 (Act 38 of 2001), the Transfer Secretaries will be unable to record any change of address mandated unless the following documentation is received from the relevant Shareholder:

- An original certified copy of your identity document,
- An original certified copy of a document issued by the South African Revenue Services to verify your tax number. If you do not have one please submit this in writing and have the letter signed by a Commissioner of Oaths; and
- An original or an original certified copy of a service bill to verify your residential address e.g. rates/electricity bill or telephone bill (not a mobile telephone account) bearing your name and current residential address. Alternatively you may provide any two of the following retail credit account statements (e.g. Edgars, Jet, Woolworths etc.) that reflect your residential address. Should the service bill be in the name of a third party, please supply a certified copy of the homeowner's identity document, service bill and a completed and signed co-habitant form. Please note that all documents should be dated within the preceding 3 months.
- Please note that copies of the certified copies will not be accepted

2. By electronic fund transfer to the following bank account:

Name of bank

Account number

Branch code

In terms of the Financial Services Centre Act ("FICA") regulations, the Transfer Secretaries will not be able to record your banking details for EFT payment, unless the following documents are submitted:

- (a) certified true copy of your identification document ("ID"); and
(b) certified true copy of your original bank statement

3. To a charitable organisation to be selected by Phumelela

PLEASE NOTE THAT IF THE ABOVE INFORMATION IS NOT COMPLETED OR IF CONFLICTING INSTRUCTIONS ARE GIVEN, A CHEQUE IN PAYMENT OF THE AMOUNT DUE WILL BE SENT TO THE ADDRESS RECORDED IN THE REGISTER

FORM B: FORM OF RENUNCIATION

(To be signed by Shareholders named in Block (I) if the right to the Rights Offer Shares is renounced)

If all of the Shareholder's rights to Rights Offer Shares are not being renounced, please specify in the block how many of the rights are being renounced.

To Directors,

Phumelela Gaming and Leisure Limited

I/We hereby renounce the number of Rights Offer Shares specified in the above block and if no number is specified, all my/our rights allocated to me/us in terms of this form as stipulated in Block (3) on page 4, in favour of the person completing Form C.

Signed:

Date:

2017

Stamp and endorsement of selling Broker (if any)

FORM C: REGISTRATION APPLICATION FORM

(To be completed by the renounee to whom the Rights Offer Shares are to be allotted.) This form will not be negotiable once this form is completed.

To the Directors,

Phumelela Gaming and Leisure Limited

I/We

- (a) authorise you to procure the allotment and issue of the number of Rights Offer Shares specified in Form B above or, if no number is specified the number of Rights Offer Shares stipulated in Block (3) on page 4 of this Form of Instruction in my/our own name(s) upon the conditions set out in the Circular issued on Tuesday, 17 January 2017 as read with this Form of Instruction; and
- (b) authorise Phumelela to place my/our names on the Register of Shareholders.

USE BLOCK LETTERS

Broker (if any)

Name and surname in full

Postal address (preferably PO Box)

Telephone number (office hours) ()

Cell phone number ()

Email address:

Signed:

Date:

2017

PLEASE NOTE: Renounees must attach a certified true copy of your identification document to the Form of Instruction, when Form B (Form of Renunciation) has been completed.

Stamp and endorsement of selling Broker (if any)

FORM D: POSTAL INSTRUCTIONS

Phumelela Share Certificates should be forwarded at my/our risk, to the following address:

(BLOCK LETTERS)

Postal code

(If no specific instructions are given here, the Share Certificate will be forwarded to the address shown on page 4)

Signed:

Date:

2017

A Shareholder wishing to collect their Rights Offer Share Certificate from the Transfer Secretaries must tick this block:

In order to comply with the requirements of the Financial Intelligence Act, 2001 (Act 38 of 2001), the Transfer Secretaries will be unable to record any change of address mandated unless the following documentation is received from the relevant Shareholder:

- An original certified copy of your identity document,
- An original certified copy of a document issued by the South African Revenue Services to verify your tax number. If you do not have one please submit this in writing and have the letter signed by a Commissioner of Oaths; and
- An original or an original certified copy of a service bill to verify your residential address e.g. rates/electricity bill or telephone bill (not a mobile telephone account) bearing your name and current residential address. Alternatively you may provide any two of the following retail credit account statements (e.g. Edgars, Jet, Woolworths etc.) that reflect your residential address. Should the service bill be in the name of a third party, please supply a certified copy of the homeowners identity document, service bill and a completed and signed co-habitant form.

Please note that all documents should be dated within the preceding 3 months.

- Please note that copies of the certified copies will not be accepted

