

Fountainhead Property Trust

JSE code: FPT

ISIN: ZAE000097416

("Fountainhead")

a portfolio forming part of the Fountainhead Property Trust Scheme ("the Scheme"), a collective investment scheme in property established in terms of the Collective Investment Schemes Control Act, No. 45 of 2002, as amended, and managed by

Fountainhead Property Trust Management Limited

(Registration number 1983/003324/06)

RIGHTS OFFER FINALISATION ANNOUNCEMENT

1. Introduction

Fountainhead unitholders are referred to the rights offer declaration announcement released on the Securities Exchange News Service ("SENS") of the JSE Limited ("JSE") on 21 February 2011 and in the South African press on 22 February 2011 in which Fountainhead announced the terms of its R1.0 billion rights offer (the "Rights Offer").

2. Terms of the Rights Offer

In terms of the Rights Offer, 166 666 667 new Fountainhead units ("Rights Offer Units") will be offered for subscription to Fountainhead unitholders recorded in the register at 17h00 on the record date for the Rights Offer, being Friday, 18 March 2011 ("Qualifying Unitholders"), on the basis of 16.73288 new Fountainhead units for every 100 Fountainhead units held by such unitholders, at 600 cents per Rights Offer Unit.

Applications for additional Rights Offer Units will be allowed.

The Rights Offer has not been underwritten.

The Rights Offer price has been calculated on the basis that the Rights Offer Units will qualify for the full distribution in respect of the six-month period ended 30 March 2011, notwithstanding the date of the allotment and issue of such Rights Offer Units.

The Rights Offer price accordingly includes a prepaid distribution of 27.71 cents, being an estimate of the distribution that will be paid for the six-month period 1 October 2010 to 31 March 2011. This estimate has not been reviewed by nor reported on by Fountainhead's external auditors.

This has been done to ensure that the Rights Offer does not dilute Fountainhead's distribution to existing unitholders for the period in question. The amount received in respect of prepaid distributions will be recognised as income to Fountainhead.

3. Conditions precedent

All conditions precedent to the Rights Offer have now been fulfilled:

- approval of the Rights Offer circular has been obtained from the Registrar of Collective Investment Schemes;
- approval of the Rights Offer circular has been obtained from the South African Reserve Bank;
- approval of the Rights Offer circular has been obtained from the JSE; and
- approval of the listing of the letters of allocation and the listing of the Rights Offer Units has been obtained from the JSE.

4. Salient dates and times

The salient dates and times in respect of the Rights Offer are set out below.

	2011
Last day to trade in Fountainhead units in order to participate in the Rights Offer (cum-entitlement) on	Friday, 11 March
Fountainhead units commence trading ex-entitlement at 09h00 on	Monday, 14 March
Listing of and trading in the letters of allocation on the JSE commences at 09h00 on	Monday, 14 March
Record date for the Rights Offer on	Friday, 18 March
Rights Offer circular and form of instruction, where applicable, posted to Qualifying Unitholders on	Tuesday, 22 March
Rights Offer opens at 09h00 on	Tuesday, 22 March
Letters of allocation credited to an electronic account held at the transfer secretaries in respect of holders of certificated units on	Tuesday, 22 March
CSDP or broker accounts credited with entitlements in respect of holders of dematerialised units on	Tuesday, 22 March
Last day for trading letters of allocation on the JSE on	Friday, 1 April
Listing of Rights Offer Units and trading therein on the JSE commences at 09h00 on	Monday, 4 April
Rights Offer closes at 12h00 on	Friday, 8 April
Rights Offer Units issued on	Monday, 11 April
CSDP or broker accounts in respect of holders of dematerialised units debited and updated with Rights Offer Units and unit certificates posted to certificated unitholders by registered post on or about	Monday, 11 April
Results of the Rights Offer released on SENS on	Monday, 11 April
Results of the Rights Offer published in the press on	Tuesday, 12 April
Rights Offer Units in respect of excess applications issued on or about	Wednesday, 13 April
CSDP or broker accounts of holders of dematerialised units debited and updated with Rights Offer Units in respect of excess applications, if applicable, and unit certificates (in respect of excess applications, if applicable) posted to certificated unitholders by registered post on or about	Wednesday, 13 April
Refund cheques, if applicable, posted to holders of certificated units in respect of unsuccessful excess applications on or about	Wednesday, 13 April

Notes:

- 1) Unit certificates may not be dematerialised or rematerialised between Monday, 14 March 2011 and Friday, 18 March 2011, both days inclusive.
- 2) CSDPs effect payment on a delivery versus payment basis in respect of dematerialised units.
- 3) Dematerialised unitholders 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 unitholder and their CSDP or broker.

4) All times are South African times.

5. Rights Offer circular

On or about Tuesday, 22 March 2011, the Rights Offer circular and a form of instruction in respect of a letter of allocation, where applicable, will be posted to all Fountainhead unitholders registered on the record date for the Rights Offer. The Rights Offer circular will also be available in electronic form on Fountainhead's website www.fountainheadproperty.co.za from Monday, 14 March 2011.

6. Jurisdiction

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer.

Unitholders holding Fountainhead units on behalf of persons who are resident outside the common monetary area are responsible for ensuring that taking up the Rights Offer, or trading in their entitlements under that offer, do not breach regulations in the relevant overseas jurisdictions.

Johannesburg
4 March 2011

Investment bank and sponsor
Standard Bank

Independent sponsor
PricewaterhouseCoopers Corporate Finance (Proprietary) Limited

Independent reporting accountants
KPMG Inc.

Legal adviser
Edward Nathan Sonnenbergs Inc.