

APPLICABLE PRICING SUPPLEMENT



Blue Diamond X Investments (RF) Limited

(Incorporated on 24 May 2013 with limited liability in South Africa under Registration No. 2013/084885/06)

Issue of ZAR148 375 000 Series 2018/1 Floating Rate Senior Secured Notes

Under its ZAR 10 000 000 000 Secured Note Programme

Series Transaction No. 2

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section headed "*Terms and Conditions of the Notes*" in the Programme Memorandum dated 20 May 2014 (the "**Programme Memorandum**") as supplemented and/or amended by the terms and conditions set out in this Applicable Pricing Supplement. Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meaning ascribed to them in the section of the Programme Memorandum headed "*Glossary of Terms*", unless separately defined in the Programme Memorandum or this Applicable Pricing Supplement. References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum and the Applicable Transaction Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum and/or the Applicable Transaction Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the placing document contains all information required by law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the placing document and the annual financial statements and/or the pricing supplements and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the placing document and the annual financial statements and/or the pricing supplements and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the placing document and the annual financial statements and/or the pricing supplements and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the placing document and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

PART A: NOTES

1.	Issuer:	Blue Diamond X Investments (RF) Limited
2.	Status and Class of Notes:	Senior Secured
3.	Note Rating as at the Issue Date:	Not Applicable
4.	Note Rating review date:	Not Applicable
5.	Rating Agency:	Not Applicable
6.	Series Transaction	2
7.	Tranche Number:	1
8.	Series Number:	1
9.	Aggregate Principal Amount:	ZAR148 375 000
10.	Issue Date:	5 November 2018
11.	Specified Denomination:	ZAR1 000 000
12.	Issue Price:	100%
13.	First settlement date:	5 November 2018
14.	Final Maturity Date:	5 August 2033
15.	Redemption Amount:	Notes will be redeemed in accordance with the redemption schedule set out in Annexure A hereto (the " Redemption Schedule ")
16.	Form of Notes:	Registered Notes
17.	Applicable Business Day Convention:	Modified Following Business Day
18.	Other:	Not Applicable

PROGRAMME AMOUNT

- | | | |
|-----|--|-------------------|
| 19. | Programme Amount as at the Issue Date | ZAR10 000 000 000 |
| 20. | Aggregate Principal Amount Outstanding of all of the Notes issued under the Issuer Programme as at the Issue Date (excluding Notes described in this Applicable Pricing Supplement): | ZAR400 000 000 |

ADDITIONAL/AMENDED/REPLACEMENT TERMS AND CONDITIONS

- | | | |
|-----|-----------------------------------|---|
| 21. | Additional Terms and Conditions: | <p>The section of the Programme Memorandum headed "Terms and Conditions of the Notes" is amended by the insertion of a new Condition 8.5 so that after such amendment Condition 8.5 reads as follows:</p> <p>"8.5. Default Interest</p> <p style="padding-left: 40px;">If specified in the Applicable Pricing Supplement a Tranche of Notes may accrue interest on any overdue amounts at the rate specified in the Applicable Pricing Supplement; provided that the amount of interest payable in terms of this Condition 8.5 shall be equal to the amount of interest actually received by the Issuer from the Obligor pursuant to the Participating Asset. For the avoidance of doubt such amount shall be nett of all taxes including withholding taxes (if any), duties, fees or commissions payable in respect of the Tranche of Notes."</p> |
| 22. | Replacement Terms and Conditions: | <p>The definition for the term "Non-Performing Asset Trigger Event" as set out in clause 90 in the section of the Programme Memorandum headed "<i>Glossary of Terms</i>" is deleted in its</p> |

entirety and replaced with the following new definition:

"90. *Non-Performing Asset Trigger Event*"
a Non-Performing Asset Trigger Event shall occur if (i) such Participating Asset is in arrears for a period exceeding 30 days after the expiry of any applicable remedy period; or (ii) any other event of default or potential event of default under such Participating Asset has occurred (in other words, other than as contemplated in (i)) which has not been remedied in accordance with any applicable remedy period; and provided that in either event, the Administrator has determined that such event constitutes a Non-Performing Asset Trigger Event; or (iii) the holder of the the beneficial interest in the Series Transaction No. 2 Notes notifies the Issuer that they are of the opinion that a Non-Performing Asset Trigger Event has occurred."

ZERO COUPON NOTES

23.	Implied yield:	Not Applicable
24.	Reference price:	Not Applicable
25.	Other:	Not Applicable

FLOATING RATE NOTES

26.	Interest Commencement Date:	5 November 2018
27.	First Interest Payment Date:	5 February 2019
28.	Interest Payment Date(s):	Means 5 February, 5 May, 5 August and 5 November of each year or, if such day is not a

Business Day, the Business Day on which the interest will be paid, as determined in

accordance with the applicable Business Day Convention (as specified in this Applicable Pricing Supplement);

The Interest Amount will be announced on SENS at least three Business Days before the relevant Interest Payment Date

29. Interest Period(s):

Means each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on and include the Interest Commencement Date and end on 31 January 2019 and the last Interest Period shall commence on 31 April 2033 and end on but exclude the last Interest Determination Date being 27 July 2033 as adjusted in accordance with the applicable Business Day Convention);

30. Floating Interest Rate:

30.1. the sum of:

30.1.1 Reference Rate:

3-Month ZAR-JIBAR-SAFEX. The Reference rate applicable as at the Issue Date is 7.025

30.1.2 Margin:

2.1 percent

31. Interest Rate Determination Date(s)/Reset Date:

Means 31 January, 30 April, 31 July and 31 October of each year with the first Interest Determination Date being 31 October 2018

32. Other:

32.1 Default Interest:

Applicable

Rate:

2.0 percent

32.2 Changes to the Floating Interest Rate: If the global scale long term local currency rating of the Guarantor is at any time downgraded by any one of the Rating Agencies to a level equal to or lower than, in the case of S&P: BB- or in the case of Moody's: Baa3 (a **"Downgrade Event"**) and provided that the Issuer has not exercised the Call Option the Margin shall increase on written notice from the Issuer, with effect from the next Interest Determination Date, by the margin set out in the table attached hereto marked Annexure B (the **"Ratings Table"**).

If at any time after a Downgrade Event (i) the global scale long term local currency rating of the Guarantor is upgraded by any one of the Rating Agencies and (ii) provided both Rating Agencies are at the same level preceding the Downgrade Event a set out in the Ratings Table the Margin shall decrease on written notice from the Issuer with effect from the next Interest Determination Date, by the margin set out in the Ratings Table

For the purposes of this item 32.2:

"Rating Agencies" means Standard & Poor's Financial Services, LLC and Moody's Investors Service, Inc

FIXED RATE NOTES

33.	Interest Commencement Date:	Not Applicable
34.	Interest Payment Date(s):	Not Applicable
35.	Interest Period(s):	Not Applicable
36.	Fixed Interest Rate(s):	Not Applicable
37.	Calculation Method:	Not Applicable
38.	Initial Broken Amount:	Not Applicable
39.	Final Broken Amount:	Not Applicable

- | | | |
|-----|--|----------------|
| 40. | Any other terms relating to the particular method of calculating interest: | Not Applicable |
| 41. | Default Interest: | Not Applicable |
| 42. | Rate: | Not Applicable |

INDEX-LINKED NOTES

- | | | |
|-----|---|----------------|
| 43. | Description of index: | Not Applicable |
| 44. | Interest Commencement Date: | Not Applicable |
| 45. | Interest Payment Date(s): | Not Applicable |
| 46. | Base Consumer Price Index: | Not Applicable |
| 47. | Formula in accordance with which Interest Amount is to be determined: | Not Applicable |
| 48. | Formula in accordance with which redemption amount in respect of principal is to be determined: | Not Applicable |
| 49. | Provisions where calculation by reference to index and/or formula is impossible or impracticable: | Not Applicable |
| 50. | Day Count Fraction: | Not Applicable |
| 51. | Index Calculation Agent: | Not Applicable |
| 52. | Other: | Not Applicable |

MIXED RATE NOTES

- | | | |
|-----|---|----------------|
| 53. | Periods during which the Interest Rate will be a Fixed Interest Rate and for which the Mixed Rate Notes will be construed as Fixed Rate Notes as set out under "FIXED RATE NOTES" above: | Not Applicable |
| 54. | Periods during which the Interest Rate will be a Floating Interest Rate and for which the Mixed Rate Notes will be construed as Floating Rate Notes as set out under "FLOATING RATE NOTES" above: | Not Applicable |

REDEMPTION IN INSTALMENTS

- | | | |
|-----|--|----------------|
| 55. | Date of first instalment: | Not Applicable |
| 56. | Amount of first instalment: | Not Applicable |
| 57. | Date of second instalment: | Not Applicable |
| 58. | Amount of second instalment: | Not Applicable |
| 59. | Dates and amounts of any additional instalments: | Not Applicable |

CALL OPTION

- | | | |
|------|--|---|
| 60. | Call: | Applicable, from time to time upon delivery of a Call Notice |
| 61. | Non-Call Period: | Not Applicable |
| 62. | Circumstances in which Call may be exercised: | At any time when a pre-payment in respect of the Participating Asset described below is received by the Issuer in accordance with the terms and conditions of the Facilities Agreement (as defined below) or as contemplated in Condition 9.6 (<i>Redemption for tax reasons</i>) |
| 63. | Optional Redemption Amount(s) or method of calculating such amount(s): | In full or in part together with such prepayment penalties as may be applicable. If in part, the Optional Redemption Amount shall reduce the repayment amount(s) set out in the Redemption Schedule in inverse chronological order |
| 64. | Optional Redemption Date(s): | Any Business Days specified in the Call Notice |
| 65. | If redeemable in part: | |
| 63.1 | Minimum Principal Amount to be Redeemed: | Not Applicable |
| 63.2 | Maximum Principal Amount to be Redeemed: | Not Applicable |
| 66. | Notice period (if different from the Programme Memorandum): | 5 Business Days |
| 67. | Other: | Not Applicable |

PUT OPTION

68.	Put:	Not Applicable
69.	Non-Put Period:	Not Applicable
70.	Circumstances in which Put may be exercised:	Not Applicable
71.	Optional Redemption Amount(s) or method of calculating such amount(s):	Not Applicable
72.	Optional Redemption Date(s):	Not Applicable
73.	Notice period (if different from the Programme Memorandum):	Not Applicable
74.	Other:	Not Applicable

PART B: SERIES TRANSACTION

75.	Series Transaction Counterparty	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division (" Standard Bank ")
76.	Participating Asset Acquisition Agreement	A transfer certificate entered into between the Facility Agent and the Issuer, substantially in the form attached to the Facilities Agreement (as defined below), dated on or about 1 November 2018
77.	Participating Assets:	<p>All the Issuer's rights, title and interests in and to:</p> <p>a portion, equal to ZAR148 375 000, of "Facility A2" forming part of a ZAR3 000 000 000 term loan facility made available by Standard Bank to the Trans-Caledonian Tunnel Authority</p>

("TCTA") in terms of a facilities agreement entered into between SBSA and TCTA on or about 18 July 2018, as amended by the first addendum thereto dated 30 October 2018 (the "**Facilities Agreement**"), a copy of which is available on request from the Administrator, subject to the execution of a confidentiality undertaking in the form attached to the Facilities Agreement

Further disclosure requirements in terms of the JSE Debt Listings Requirements

Paragraph 6.2(b)(iii)(1) and 6.7(b)(iii)

In terms of the Facilities Agreement (a) interest is calculated quarterly on each Interest Determination Date and paid quarterly on 31 January, 30 April, 31 July and 31 October of each year; and (b) principal is paid quarterly on 31 January, 30 April, 31 July and 31 October of each year.

Paragraph 6.7(b)(ii)

In terms of the Facilities Agreement the maturity date is 25 July 2018

Paragraph 6.7(b)(vi)

TCTA's financial year end is 31 March

Paragraph 6.7(e)

The interest cover ratio is 1.00x

Paragraph 6.7(f)

The Participating Asset does not have a credit rating.

78. Obligor(s):

Borrower: TCTA, established by Notice No. 2631 published in the Government Gazette No. 10545 dated 12 December 1986, as amended by Notice No. 277 published in the

Government Gazette no. 21017 dated 24 March 2000, a major entity listed as such in Schedule 2 of the Public Finance Management Act, 1999, as amended, for further information on TCTA, including its annual reports, please refer to the website of the borrower at: <http://www.tcta.co.za>

Guarantor: The Government of the Republic of South Africa, represented by the Minister of Water and Sanitation with the concurrence of the Minister of Finance

79.	Rights of Recourse:	Direct, unsubordinated
80.	Jurisdiction (including of any related security):	South Africa
81.	Additional Series Transaction Documents:	Not Applicable
82.	Series Priority of Payments:	See the section in the Programme Memorandum entitled "Series Priority of Payments".
83.	Series Security Trust/Guarantor:	Blue Diamond X No. 2 Security Trust (IT 20664/2014)
86.1	Signed copy of Series Guarantee sent to the JSE:	Yes
86.2	Signed copy of Series Security Trust resolution sent to the JSE:	Yes
84.	Non-Performing Asset Trigger Event:	Applicable, as amended in terms of item 22 above

85.	Non-Performing Asset Clean-Up Option:	Applicable
86.	Eligibility Criteria:	Performing as at the Issue Date. Any amendment to the Eligibility Criteria will constitute an amendment to the Terms and Conditions of this Tranche of Notes.
87.	Liquidity Facility:	Not Applicable
88.	Credit Enhancement:	Not Applicable
	88.1 signed copy of relevant agreement (where applicable) sent to the JSE:	Not Applicable
89.	Credit Rating:	Not Applicable
90.	Hedge Counterparty:	Not Applicable
91.	Related security (if any):	Not Applicable
92.	Additional Provisions/Definitions:	Not Applicable

PART C: GENERAL

93.	Additional investment considerations:	Not Applicable
94.	Credit Rating:	Not Applicable
95.	Additional selling restrictions:	Not Applicable
96.	Issuer Undertakings:	Condition 7 of the Terms and Conditions
97.	Issuer Programme Events of Default:	Condition 13.1 of the Terms and Conditions
98.	Dealer	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
99.	International Securities Identification Numbering (ISIN):	ZAG000152398
100.	Stock Code:	BDX211
101.	Financial Exchange:	JSE

102. Settlement and clearing procedures (if not through STRATE):	Not Applicable
103. Last Day to Register:	17h00 on 24 January, 23 April, 24 July and 24 October, which shall mean that the Register will be closed during the 10 (ten) days preceding each Interest Payment Date and Final Maturity Date, as the case may be
104. Books closed period:	From 25 January to 4 February, 24 April to 5 May, 25 July to 4 August and 25 October to 4 November until the applicable Interest Payment Date and the Final Maturity Date, as the case may be
105. Transfer Agent:	The Standard Bank of South Africa Limited
106. Settlement Agent:	The Standard Bank of South Africa Limited
107. Specified Office of the Transfer Agent:	Investor Services, 3rd Floor, 25 Pixley Ka Isaka Seme Street, Johannesburg, 2001
108. Stabilisation Manager (if any):	Not Applicable
109. Capital raising process:	Private Placement
110. Use of Proceeds:	Acquisition of Participating Assets
111. Exchange Control:	Not Applicable
112. Other provisions:	Not Applicable

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS AS AT THE ISSUE DATE

Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

Paragraph 3(5)(c)

The auditor of the Issuer is KPMG Inc.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Issuer has issued ZAR400 000 000 of commercial paper; and
- (b) the Issuer estimates that it may issue ZAR2 000 000 000 of commercial paper (inclusive of this Notes issuance) during the current financial year, ending 31 December 2018

Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.

Paragraph 3(5)(f)

There has been no material change in the financial or trading position of the Issuer since the date of the Issuer's last audited financial statements.

Paragraph 3(5)(g)

The Notes issued will be listed and issued for a period of longer than five years as stated in this Applicable Pricing Supplement.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for the acquisition of the Participating Assets described above.

Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are secured.

Paragraph 3(5)(j)

KPMG Inc., the statutory auditors of the Issuer, have confirmed that this issue of Notes issued under the Issuer Programme complies in all respects with the relevant provisions of the Commercial Paper Regulations (contained in Government Notice 2172, Government Gazette 16167 of 14 December 1994 issued by the Deputy Registrar of Banks).

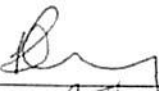
As at the date of this Applicable Pricing Supplement, the Issuer confirms that the Programme Amount of ZAR10,000,000,000 has not been exceeded.

Application is hereby made to list this Tranche of Notes on 5 November 2018. The Programme was registered with the JSE on 20 May 2014.

SIGNED at Johannesburg on this 1 day of November 2018.

For and on behalf of

BLUE DIAMOND X INVESTMENTS (RF) LIMITED


Name: R. Thuthony
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto


Application is hereby made to list this Tranche of Notes on 5 November 2018. The Programme was registered with the JSE on 20 May 2014.

SIGNED at Johannesburg on this 1 day of November 2018.

For and on behalf of

BLUE DIAMOND X INVESTMENTS (RF) LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto


Name: DP TSWERS
Capacity: Director
Who warrants his/her authority hereto

Annexure A

Redemption Schedule

Date	Facility A2
05 February 2019	ZAR 1 625 000,00
05 May 2019	ZAR 1 625 000,00
05 August 2019	ZAR 1 625 000,00
05 November 2019	ZAR 1 625 000,00
05 February 2020	ZAR 1 625 000,00
05 May 2020	ZAR 1 625 000,00
05 August 2020	ZAR 1 625 000,00
05 November 2020	ZAR 1 625 000,00
05 February 2021	ZAR 1 625 000,00
05 May 2021	ZAR 1 625 000,00
05 August 2021	ZAR 1 625 000,00
05 November 2021	ZAR 1 625 000,00
05 February 2022	ZAR 1 625 000,00
05 May 2022	ZAR 1 625 000,00
05 August 2022	ZAR 1 625 000,00
05 November 2022	ZAR 1 625 000,00
05 February 2023	ZAR 1 625 000,00
05 May 2023	ZAR 1 625 000,00
05 August 2023	ZAR 1 625 000,00
05 November 2023	ZAR 1 625 000,00
05 February 2024	ZAR 1 625 000,00
05 May 2024	ZAR 1 625 000,00
05 August 2024	ZAR 1 625 000,00
05 November 2024	ZAR 1 625 000,00
05 February 2025	ZAR 1 625 000,00
05 May 2025	ZAR 1 625 000,00
05 August 2025	ZAR 1 625 000,00
05 November 2025	ZAR 1 625 000,00
05 February 2026	ZAR 1 625 000,00
05 May 2026	ZAR 1 625 000,00
05 August 2026	ZAR 1 625 000,00
05 November 2026	ZAR 1 625 000,00

05 February 2027	ZAR 1 625 000,00
05 May 2027	ZAR 1 625 000,00
05 August 2027	ZAR 1 625 000,00
05 November 2027	ZAR 1 625 000,00
05 February 2028	ZAR 1 625 000,00
05 May 2028	ZAR 1 625 000,00
05 August 2028	ZAR 1 625 000,00
05 November 2028	ZAR 4 250 000,00
05 February 2029	ZAR 4 250 000,00
05 May 2029	ZAR 4 250 000,00
05 August 2029	ZAR 4 250 000,00
05 November 2029	ZAR 4 250 000,00
05 February 2030	ZAR 4 250 000,00
05 May 2030	ZAR 4 250 000,00
05 August 2030	ZAR 4 250 000,00
05 November 2030	ZAR 4 250 000,00
05 February 2031	ZAR 4 250 000,00
05 May 2031	ZAR 4 250 000,00
05 August 2031	ZAR 4 250 000,00
05 November 2031	ZAR 4 250 000,00
05 February 2032	ZAR 4 250 000,00
05 May 2032	ZAR 4 250 000,00
05 August 2032	ZAR 4 250 000,00
05 November 2032	ZAR 4 250 000,00
05 February 2033	ZAR 4 250 000,00
05 May 2033	ZAR 4 250 000,00
05 August 2033	ZAR 4 250 000,00

Weighted average time to maturity: aprox. 9.5 years

Annexure B

Ratings Table

Additional basis points added to the Margin* based on any one of the Rating Agencies	S&P	Moody's
Ratings as at the Issue Date	BB+	Baa3
35 basis points	N/A	Ba1
35 basis points	BB	Ba2

**added on a cumulative basis*