

Dear Sponsors, Designated Advisers and Company Secretaries

26 March 2013

### **Requirements for General Issues for Cash**

An issuer may only undertake a general issue for cash subject to satisfactory compliance with paragraph 5.52 of the JSE Listings Requirements (the “**Requirements**”). It is further required that equity securities which are the subject of a general issue for cash, in the aggregate in any one financial year, may not exceed 15% of the issuer’s equity securities in issue in a particular class.

The JSE has recently dealt with various queries in respect of the interpretation and application of the 15% allocation pursuant to a general issue for cash authority for a financial year. The JSE has thought it wise to invite sponsors, designated advisers and company secretaries to approach the JSE, by way of a (i) formal ruling request or (ii) informal discussions, should there be any questions and/or concerns on the interpretation and application of the general issue for cash provision in the Requirements.

It should however be noted that –

- the calculation of the issuer’s equity securities in issue pursuant to a general issue for cash authority is vital to ensure that the 15% issue for cash threshold (the “**threshold**”) in any one financial year is not exceeded; and
- as equity securities are issued during the course of the financial year, the threshold must be reduced accordingly.

The JSE is considering amendments to the provisions of paragraph 5.52 of the Requirements in order to simplify the general issue for cash requirements.

Yours faithfully



**A.F. VISSER: GENERAL MANAGER  
ISSUER REGULATION**

