

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 8 of this Circular apply throughout this Circular including this cover page.

Action required

This Circular is important and should be read with particular attention to the "Action Required by Shareholders" section of this Circular, which sets out the action required by Shareholders with regard to this Circular. If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all your Oceana Shares, then this Circular should be forwarded to the purchaser to whom, or Broker, CSDP or other agent through whom you disposed of your Oceana Shares.

Oceana does not accept any responsibility and will not be held liable for any failure on the part of the Broker or CSDP of any holder of Dematerialised Shares to notify such Shareholder of this Circular and/or the General Meeting.



Circular to Oceana Shareholders

regarding:

- the approval of the agreement entered into between Daybrook Fisheries Inc., a subsidiary of Oceana, and a company controlled by Francois Kuttel, a related party of Oceana, in connection with a 75% interest in Westbank Fishing, LLC;

and incorporating

- a notice of General Meeting; and
 - a form of proxy to be used by Certificated Shareholders and "Own-name" Dematerialised Shareholders only.
-

Investment Bank and Transaction
Sponsor to Oceana



South African legal counsel to
Oceana

WEBBER WENTZEL
in alliance with > Linklaters

Reporting accountants and
auditors

Deloitte.

United States legal counsel to Oceana

K&L GATES

KEAN MILLER LLP
ATTORNEYS AT LAW
People First

16 March 2018

CORPORATE INFORMATION AND ADVISERS

Registered office and business address of Oceana

9th Floor, Oceana House
25 Jan Smuts Street
Foreshore
Cape Town, 8001
South Africa
(PO Box 7206, Roggebaai, 8012)

Investment Bank and Transaction Sponsor to Oceana

The Standard Bank of South Africa Limited
(Registration number 1962/000738/06)
30 Baker Street
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South Africa
(PO Box 61344, Marshalltown, 2107)

South African legal counsel to Oceana

Webber Wentzel
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Sandton
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South Africa
(PO Box 61771, Marshalltown, 2107)

Transfer secretaries of Oceana

Computershare Investor Services
Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
South Africa
(PO Box 61051, Marshalltown, 2107)

Date of incorporation: 30 July 1918

Company secretary of Oceana

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25 Jan Smuts Street
Foreshore
Cape Town, 8001
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(PO Box 7206, Roggebaai, 8012)

United States legal counsel to Oceana

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Washington, DC
20006-1600

Kean Miller LLP
II City Plaza
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Baton Rouge, Louisiana, 70802
(PO Box 3513, 70821-3513)

Independent reporting accountants and auditors

Deloitte & Touche
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Namibian Sponsoring Broker

Old Mutual Investment Services (Namibia) Proprietary
Limited
Mutual Tower
Independence Avenue
Windhoek
Namibia
(PO Box 25549, Windhoek, Namibia)

Place of incorporation: South Africa

This Circular is available in English only. Copies may be obtained during normal business hours from the offices of Oceana and Standard Bank, whose addresses are set out above.

The Circular will be available from Friday, 16 March 2018 until Friday, 13 April 2018, both days inclusive. The Circular will also be available in electronic form on the Company's website www.oceana.co.za from Friday, 16 March 2018.

CERTAIN FORWARD-LOOKING STATEMENTS

This Circular contains statements about Oceana that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the fishing industry; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, estimates of capital expenditures, acquisition strategy, or future capital expenditure levels and the expected Rand to USD rate of exchange, and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Oceana cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Oceana operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions, all of which estimates and assumptions, although Oceana may consider them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Many factors (including factors not yet known to Oceana, or not currently considered material), could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, statements or assumptions.

Oceana Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors may emerge from time to time that could cause the business of Oceana or other matters to which such forward looking statements relate, not to develop as expected and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Oceana has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

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EXECUTIVE SUMMARY

The definitions and interpretations commencing on page 8 of this Circular, apply, *mutatis mutandis*, to this executive summary.

Introduction

In July 2015, Oceana concluded the acquisition of 100% of Daybrook Fisheries, a US-based fishmeal and fish oil processing operation, as well as an indirect 25% interest in Westbank, which operates the vessels that supply fish to Daybrook Fisheries' processing plant ("Daybrook Transaction").

In terms of the AFA, qualifying fishing vessels in the US are required to be owned and controlled by US citizens, among other things. In order to comply with this requirement, the Westbank Interest is held by Westbank Partners, the original majority owner of Daybrook Fisheries and Westbank and a qualifying US citizen.

The relationship between Daybrook Fisheries and Westbank is governed by the Fish Supply Agreement, which, among other things, defines the fee that Daybrook Fisheries pays to Westbank for the supply of fish. The relationship between Daybrook Fisheries and Westbank Partners is governed by the Operating Agreement, which governs the relationship between the members of Westbank, as well as their relationship with and the operation of Westbank.

Under the Operating Agreement, Daybrook Fisheries agreed to grant Westbank Partners the Put Option under which Westbank Partners could put their 75% Westbank Interest to Daybrook Fisheries or a US citizen nominee of Daybrook Fisheries, for the Put Strike Price, by giving 12 months' notice to Daybrook Fisheries to this effect.

Should Daybrook Fisheries fail to nominate a qualifying US citizen, it would be required to purchase the Westbank Interest at the same Put Strike Price. Furthermore, it was agreed that Daybrook Fisheries would pay Westbank Partners the Put Premium in the event they exercised their Put Option by the passage of 1 November 2016 to exit Westbank by 1 November 2017.

The Daybrook Transaction together with the Put Premium was categorised as a Category 1 transaction in terms of the Listings Requirements and the requisite approval was obtained from Oceana Shareholders in general meeting on 15 July 2015.

Rationale

In November 2016, Westbank Partners notified Daybrook Fisheries of the exercise of its Put Option over the Westbank Interest, which was disclosed in Oceana's 2016 Annual Financial Statements (as a subsequent event) and 2017 Annual Financial Statements.

As a result of neither Oceana nor any of its local or foreign subsidiaries being able to acquire the Westbank Interest due to the qualifying US citizen ownership requirements under the AFA, the Oceana Board embarked on a bidding process to identify an appropriate US citizen who could acquire the Westbank Interest.

Prior to this process Mr. Kuttel expressed his interest in acquiring the Westbank Interest to the Oceana Board, subsequent to which an independent sub-committee of the Board was formed, comprising Oceana's Lead Independent Director and non-executive directors ("the Independent Committee").

The Independent Committee enlisted the service of Standard Bank to identify potential buyers and seek offers, and, in addition, to provide advice and guidance to the Independent Committee. Following a robust bidding process, which included a detailed consideration of the offers received and follow-up discussions with third party bidders over the course of 10 months, the Independent Committee considered Mr. Kuttel's proposal as the most commercially attractive to Oceana and Daybrook Fisheries.

Mr. Kuttel, the Chief Executive Officer and director of Oceana until 13 February 2018, has extensive experience in and knowledge of the fishing industry, including previously operating and managing a fleet of vessels for five years in an Alaskan fishing venture.

Proposed Arrangement Structure

It is contemplated that the Proposed Arrangement will be implemented as follows:

- Mr. Kuttel's company, Makimry, will acquire, and pay for, the Westbank Interest from Westbank Partners;
- a revised Operating Agreement will be concluded between Westbank, Makimry and Daybrook Fisheries, which includes a Warrant issued by Westbank to Daybrook Fisheries, and a revised Fish Supply Agreement will be concluded between Westbank and Daybrook Fisheries;
- Mr. Kuttel will be employed by Westbank; and
- the acquisition of the Westbank Interest will principally be funded by a loan from Westbank with the balance by way of an investment in Makimry by Mr. Kuttel. The Westbank Loan will be underpinned by a loan from an External Funder to Westbank.

Purpose of Circular

The purpose of this Circular and accompanying Notice of General Meeting is to provide Oceana Shareholders with information regarding the Proposed Arrangement, and to convene the General Meeting to be held at 14:00 on Friday, 13 April 2018, on the 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001, at which the Oceana Shareholders will be asked to consider and, if deemed fit, pass a resolution for the approval of the Agreement with a Related Party under the Listings Requirements.

Directors' recommendation

The Board unanimously recommends that Oceana Shareholders vote in favour of all the resolutions necessary to approve and implement the Proposed Arrangement as set out in the Notice of General Meeting.

Imraan Soomra, being the only Director with an interest in Oceana, intends to vote in favour of all resolutions necessary to approve and implement the Proposed Arrangement.

ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 8 of this Circular apply, *mutatis mutandis*, to this section.

Please take careful note of the following provisions regarding the action required by Shareholders.

- 1) If you have disposed of all of your Shares, this Circular should be handed to the purchaser of such Shares or to the Broker, CSDP, banker or other agent through which such disposal was effected.
- 2) If you are in any doubt as to what action you should take, please consult your Broker, CSDP, accountant, banker, legal adviser or other professional adviser immediately.
- 3) You should carefully read through this Circular and decide how you wish to vote on the resolutions to be proposed at the General Meeting.

General meeting

Oceana Shareholders are invited and encouraged to attend the General Meeting, convened in terms of the Notice of General Meeting (which is attached to, and forms part of, this Circular), to be held on the 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 at 14:00 on Friday, 13 April 2018 in order to consider, and if deemed fit, approve the Resolutions set out in the Notice of General Meeting forming part of this Circular.

ACTION REQUIRED TO BE TAKEN BY SHAREHOLDERS

1. IF YOU HAVE DEMATERIALISED YOUR OCEANA SHARES OTHER THAN WITH “OWN NAME” REGISTRATION:

1.1 Voting at the General Meeting

- 1.1.1 Your CSDP or Broker should contact you to ascertain how you wish to cast your vote (or abstain from casting your vote) at the General Meeting and thereafter to cast your vote (or abstain from casting your vote) in accordance with your instructions.
- 1.1.2 If you have not been contacted by your CSDP or Broker, it is advisable for you to contact your CSDP or Broker and furnish it with your voting instructions.
- 1.1.3 If your CSDP or Broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your CSDP or Broker.
- 1.1.4 You must **not** complete the attached form of proxy.

1.2 Attendance and representation at the General Meeting

In accordance with the mandate between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to attend the General Meeting and your CSDP or Broker will issue the necessary Letter of Representation to you.

2. IF YOU HAVE NOT DEMATERIALISED YOUR OCEANA SHARES OR HAVE DEMATERIALISED YOUR OCEANA SHARES WITH “OWN NAME” REGISTRATION:

2.1 Voting and attendance at the General Meeting

- 2.1.1 You may attend the General Meeting in person and may vote (or abstain from voting) at the General Meeting.
- 2.1.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions it contains and returning it to the Transfer Secretaries to be received preferably by no later than 14:00 on Wednesday, 11 April 2018.
- 2.1.3 If you wish to dematerialise your Oceana Shares, please contact your CSDP or Broker.

3. **IF YOU HAVE DISPOSED OF ALL OF YOUR OCEANA SHARES, THIS CIRCULAR SHOULD BE HANDED TO THE PURCHASER OF SUCH OCEANA SHARES OR THE BROKER, CSDP OR OTHER AGENT WHICH DISPOSED OF YOUR OCEANA SHARES FOR YOU.**

Oceana does not accept responsibility and will not be held liable for any failure on the part of the CSDP of a Dematerialised Shareholder to notify such Shareholders of the General Meeting or any business to be conducted thereat.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 8 of this Circular apply, *mutatis mutandis*, to the following salient dates and times:

2018

Posting Record Date to be eligible to receive the Circular	Friday, 9 March
Posting of Circular to Oceana Shareholders	Friday, 16 March
Last Day to Trade to participate in and vote at the General Meeting	Tuesday, 3 April
Voting Record Date to participate in and vote at the General Meeting	Friday, 6 April
Last day to lodge forms of proxy in respect of the General Meeting by 14:00	Wednesday, 11 April
General Meeting to be held at 14:00 on the 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001	Friday, 13 April
Results of General Meeting released on SENS	Friday, 13 April
Result of General Meeting published in the South African and the Namibian Press	Monday, 16 April

Notes:

1. The above dates and times are subject to amendment. Any such amendment will be released on SENS and published in the South African and Namibian press.
2. All times quoted in the Circular are local times in South Africa on a 24-hour basis, unless specified otherwise.
3. No orders to dematerialise or rematerialise Shares will be processed from the Business Day following the Last Day to Trade up to and including the Voting Record Date, but such orders will again be processed from the first Business Day after the Voting Record Date.
4. The certificated register will be closed between the Last Day to Trade and the Voting Record Date.
5. If the General Meeting is adjourned or postponed, forms of proxy submitted for the General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting unless the contrary is stated on such form of proxy.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise, references to the singular shall include the plural and *vice versa*; words denoting one gender include the other; words and expressions denoting natural persons include legal persons and associations of persons; and the following words and expressions have the meanings assigned to them below:

“AFA”	American Fisheries Act of 1998;
“Agreement” or “Proposed Arrangement”	the proposed assignment (governed by an assignment agreement) by Daybrook Fisheries’ to Makimry of its obligation to acquire the Westbank Interest from Westbank Partners, subject to the amendment of the Fish Supply Agreement and the Operating Agreement, including a Warrant issued to Daybrook Fisheries by Westbank, and the employment of Mr Kuttel by Westbank;
“Bank Loan”	a loan made to Westbank by the External Funder in connection with the Agreement;
“Board” or “Oceana Board”	the board of directors of Oceana as at the Last Practicable Date and whose names are listed on page 13 of this Circular;
“Brimstone”	Brimstone Investment Corporation Limited (registration number 1995/010442/06), a public company incorporated in the Republic of South Africa and listed on the JSE;
“Broker”	any person registered as a broking member in equities in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“Certificated Shareholders”	Oceana Shareholders who hold Certificated Shares;
“Certificated Shares”	Oceana Shares which are not dematerialised in terms of the requirements of Strate, title to which is represented by a share certificate or other Documents of Title;
“Circular”	this document, dated Friday, 16 March 2018, including the annexures, Notice of General Meeting and form of proxy contained herein;
“Companies Act”	the South African Companies Act, No. 71 of 2008, as amended;
“Conditions”	the conditions (including closing conditions) to which the Proposed Arrangement is subject. A summary of the material Conditions is set out in paragraph 4.4 of this Circular;
“CSDP”	central securities depository participant, a participant as defined in section 1 of the Financial Markets Act;
“Daybrook Fisheries” or “Daybrook”	Daybrook Fisheries, Inc. (Louisiana Charter Number: 29309360D) a corporation organised under the laws of Louisiana;
“Daybrook Transaction”	the transaction in July 2015 where Oceana, through its US subsidiaries, acquired 100% of Daybrook Fisheries including an indirect 25% interest in Westbank;
“Delaware”	the state of Delaware in the US;
“Dematerialised Shareholders”	Oceana Shareholders who hold Dematerialised Shares;

“Dematerialised Shares”	Shares which have been dematerialised and ownership of which is recorded electronically in a sub-register of Oceana Shareholders administered by a CSDP, which sub-register forms part of the Company's Register;
“Director”	a director of Oceana appointed to the Board;
“Documents of Title”	share certificates or any other documents of title to Certificated Shares acceptable to the Company;
“EBITDA”	earnings before interest, tax, depreciation and amortisation;
“EPS”	earnings per share;
“External Funder”	the independent US financial institution providing the Bank Loan;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Fish Supply Agreement”	the agreement entered into between Daybrook Fisheries and Westbank on 22 July 2015 in terms of which Westbank sells and Daybrook Fisheries takes, purchases and pays for 100% of the Gulf Menhaden harvested by Westbank in each fishing season, for an initial term of 30 years subject to two renewal terms of 10 years each, to be amended under the Proposed Arrangement as described in paragraph 4.1.1 of this Circular;
“Francois Kuttel” or “Mr. Kuttel”	Francois Kuttel, Oceana's Chief Executive Officer and director up until his resignation effective 13 February 2018, and a qualifying US citizen in terms of the AFA;
“General Meeting”	the meeting of Oceana Shareholders to be held on the 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 at 14:00 on Friday, 13 April 2018, or any adjournment or postponement thereof, to consider and, if deemed appropriate, approve the resolutions set out in the Notice of General Meeting;
“HEPS”	headline earnings per share;
“Independent Committee”	an independent committee of the board comprising only non-executive members;
“JSE”	the JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Louisiana”	the state of Louisiana in the US;
“Last Day to Trade”	the last Business Day to trade Oceana Shares in order to settle same and reflect in the Company's Register so as to be eligible to vote on the Resolutions;
“Last Practicable Date”	Monday, 12 March 2018 being the last practicable date prior to the finalisation of this Circular;
“Letter of Representation”	a letter of representation issued by a CSDP or Broker to an Oceana Shareholder authorising the Oceana Shareholder to attend the General Meeting;
“Listings Requirements”	the JSE Listings Requirements;
“Makimry”	Makimry Patronus LLC, a limited liability company organised under the laws of Louisiana and majority owned and controlled by Francois Kuttel;

“Makimry Put Option”	Makimry having a put option to require Daybrook Fisheries (or an assignee of Daybrook Fisheries) to purchase all, but not less than all, of the Westbank Interest upon the occurrence of (i) the Warrant being exercised by Daybrook Fisheries; (ii) Kuttel’s death or disability; (iii) Oceana ceases to beneficially own a majority of the capital, profits or voting rights in Daybrook Fisheries; or (iv) an arbitrator determines that there is a deadlock in Westbank after the members or managers designated by Daybrook Fisheries block, three or more times, certain corporate actions which require a 76% supermajority vote of the members or managers of Westbank, and in so doing cause the reputation, business, a business opportunity, or any business relationship of Westbank to be materially injured or lost;
“MarAd”	US Maritime Administration;
“MT”	Metric ton;
“Namibia”	the Republic of Namibia;
“NAV”	net asset value;
“Notice of General Meeting”	the notice of general meeting forming part of the Circular;
“Oceana” or “Company”	Oceana Group Limited, (registration number 1939/001730/06), a public company incorporated in accordance with the laws of South Africa and listed on the main board of the JSE;
“Oceana Group” or “Group”	Oceana and its subsidiaries;
“Oceana Shareholder” or “Shareholder”	a holder of an Oceana Ordinary Share;
“Oceana Shares” or “Shares”	ordinary shares in the share capital of Oceana as at the Last Practicable Date;
“OGL Holdco”	Oceana US Holdings Corporation (EIN Assigned: 47-3945505), a corporation incorporated in terms of the laws of Delaware and a wholly-owned US subsidiary of Oceana;
“Operating Agreement”	the agreement governing the relationship between Westbank Partners and Daybrook Fisheries in relation to their membership interests in Westbank and concerning the management of Westbank’s operations, to be amended under the Proposed Arrangement as described in paragraph 4.1.2 of this Circular;
“Own-name Dematerialised Shareholders”	Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own name on the sub-registers maintained by the CSDP;
“Posting Record Date”	the date determined by the Board in accordance with section 59 of the Companies Act for Oceana Shareholders to be eligible to receive the Circular;
“Put Option”	the 30-year option granted by Daybrook Fisheries to Westbank Partners to put the Westbank Interest to a US citizen, being a nominee of Daybrook Fisheries, for the Put Strike Price, by giving 12 months’ notice to Daybrook Fisheries, which option was exercised by Westbank Partners and because the notice was given as the result of the passage of 1 November 2016, the Put Premium was payable by Daybrook Fisheries to the Westbank Partners;
“Put Strike Price”	the price ultimately payable to Westbank Partners on the Put Option closing date (which has been extended to 15 April 2018) by Daybrook Fisheries or by Daybrook Fisheries or a US citizen nominee of Daybrook Fisheries, being USD31.5 million (ZAR378.0 million);

“Put Premium”	USD15 million (ZAR180.0 million);
“Register”	the register of Certificated Shareholders of the Company maintained by the Company and each of the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs in terms of the Financial Markets Act;
“Related Party”	Mr. Kuttel and Makimry, being an associate of Mr. Kuttel as defined under the Listings Requirements;
“Resolutions”	means the Resolutions set out in the Notice of General Meeting;
“SENS”	the Stock Exchange News Service of the JSE;
“Standard Bank”	The Standard Bank of South Africa Limited (registration number 1962/000738/06), a public company incorporated in accordance with the laws of South Africa, acting through its Corporate and Investment Banking division;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company registered in accordance with the laws of South Africa, being a licensed central securities depository in terms of section 1 of the Financial Markets Act;
“Tiger Brands”	Tiger Brands Limited (registration number 1944/017881/06), a public company incorporated in the Republic of South Africa and listed on the JSE;
“TNAV”	tangible net asset value;
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company incorporated in accordance with the laws of the Republic of South Africa and who are the transfer secretaries of Oceana;
“Treasury Shares”	Oceana Shares held by Lucky Star Limited and Oceana Group Share Trust as at the Last Practicable Date, Lucky Star Limited being a wholly-owned subsidiary company of Oceana;
“US”	United States of America;
“USCIS”	United States Citizenship and Immigration Services;
“USD”	US Dollar, the official currency of the US;
“VAT”	value-added tax levied in terms of the South African Value- Added Tax Act, No. 89 of 1991, as amended;
“Voting Record Date”	the date on which Oceana Shareholders must be entered in the Register in order to be eligible to vote at the General Meeting, expected to be Friday, 6 April 2018;
“Warrant”	a warrant issued by Westbank to Daybrook Fisheries, as part of the Proposed Arrangement, for the issue of 2,000 units of membership interest in Westbank at a purchase price of USD 0.01 per membership interest unit, the exercise of which entitles the warrant holder to acquire an effective 50% membership interest in Westbank. The warrant can only be exercised in limited circumstances and the issue of units of membership interest under the warrant must not contravene the US citizen ownership requirements of the AFA;
“Westbank”	Westbank Fishing, LLC, a limited liability company organised under the laws of Louisiana and 75% owned by Westbank Partners and 25% owned by Daybrook Fisheries;
“Westbank Loan”	the USD30.7 million (ZAR368.4 million) proceeds of the Bank Loan received by Westbank which will be on-lent by Westbank to Makimry;

“Westbank Interest”	the 75% membership interest in Westbank owned by Westbank Partners;
“Westbank Partners”	Westbank Fishing Partners, LLC (LA Charter Number: 41887380K), a limited liability corporation organised in Louisiana; and
“ZAR”, “Rand” or “R”	South African Rand, the lawful currency of South Africa.



OCEANA GROUP
OCEANA GROUP LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1939/001730/06)
JSE share code: OCE
NSX share code: OCG
ISIN: ZAE000025284
("Oceana" or "the Company")

DIRECTORS

Executive

I Soomra (*Interim Chief Executive Officer and Group Financial Director*)

Non-Independent Non-Executive

MA Brey (*Chairman*)
NP Doyle
LC Mac Dougall
GG Fortuin

Independent Non-Executive

ZBM Bassa
PG de Beyer
S Pather (*Lead Independent*)
NV Simamane

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

1.1 Introduction

Shareholders are referred to the announcement by Oceana dated 16 March 2018 in terms of which Shareholders were advised of Daybrook Fisheries' proposed assignment to Makimry of its obligation to acquire, and pay for, the Westbank Interest from Westbank Partners, on condition that amendments are made to the Fish Supply Agreement and the Operating Agreement, including the replacement of the existing warrant issued to Daybrook Fisheries by Westbank with the new Warrant (collectively, "Westbank Agreements"), and the employment of Mr. Francois Kuttel by Westbank.

Daybrook Fisheries is a wholly-owned subsidiary of Oceana and Makimry is a US company, owned and majority controlled by Mr. Kuttel, who, until 13 February 2018, was the Chief Executive Officer and a director of Oceana. Mr. Kuttel is deemed to be a "related party" of Oceana under the Listings Requirements. The Westbank Agreements are therefore classified as agreements entered into with a Related Party under the provisions of section 10 of the Listings Requirements.

The Proposed Arrangement was approved by the Oceana Board on Tuesday, 6 March 2018, and is subject to the approval of Oceana Shareholders by way of ordinary resolution, as detailed further in the Notice of General Meeting.

The purpose of the Circular is to:

- provide Oceana Shareholders with relevant information to enable them to make an informed decision as to whether or not they should vote in favour of the inter-conditional resolutions set out in the Notice of General Meeting which is attached to and forms part of this Circular, for:
 - i. the approval of the Proposed Arrangement; and
 - ii. the authorising of any director or company secretary of the Company to take all actions necessary to give effect to the abovementioned resolution; and
- convene the General Meeting in order for Oceana Shareholders to consider and determine whether or not to vote in favour of the aforementioned resolutions.

2. BACKGROUND TO OCEANA AND WESTBANK

2.1 History and nature of business of Oceana

2.1.1 *Corporate information*

Incorporated in 1918, Oceana is the largest fishing company in Africa, and an important participant in the Namibian, Angolan and US fishing industries. The Company is listed on the JSE and Namibian Stock Exchange and as a black-owned company is a level 2 B-BBEE contributor. Oceana employs 5 565 people, both directly and indirectly, through its various subsidiaries. As at the Last Practicable Date, Oceana's market capitalisation was approximately ZAR11.0 billion.

Oceana's core purpose is to be Africa's most efficient converter of fishing rights into value for all its stakeholders, including its shareholders and employees, customers and suppliers and the communities in which it operates. The Company's business consists of the catching, procuring, processing, marketing and distribution of canned fish, fishmeal, fish oil, horse mackerel, hake, lobster and squid. The business includes mid-water fishing (horse mackerel), deep-sea trawling (hake), as well as inshore fishing for pelagic fish (anchovy, Gulf Menhaden species, redeye herring and pilchard). The Company also provides refrigerated warehouse facilities and logistical support services.

Oceana's fishing activities are conducted primarily through four operating divisions: Lucky Star; Daybrook Fisheries; Blue Continent Products; and Oceana lobster and squid. A fifth division, CCS Logistics, provides refrigerated warehouse facilities and logistical support services with operations in Cape Town, Durban, Johannesburg, Walvis Bay and Luanda.

This structure creates value through economies of scale and efficiencies in terms of raw material and product volumes, use of vessels and production resources, market focus, risk management and growth opportunities.

2.1.2 *Principal activities and operations*

Oceana's business model is dependent on the five pillars of value creation, which illustrate the use of and impact on the various resources available in the business environment. These are increased, decreased or transformed in an interdependent flow during the business activities of Oceana. These may be summarised as follows:

Generating sustained financial returns

- Achieving growth in headline earnings
- Delivering superior returns to shareholders
- Identifying opportunities for acquisitive and organic growth for the Group

Driving transformation and localisation

- Being a leader in terms of transformation and localisation credentials
- Achieving an independently verified B-BBEE level 2 rating in South Africa

Optimising Oceana's operations

- Driving effectiveness and efficiency in the fleet and shore-based assets
- Attracting, developing and retaining the best available talent throughout the Group
- Actively evaluating and mitigating risk, and maintaining effective governance systems

Leading stewardship of marine resources

- Harvesting the Group's marine resource allocations responsibly
- Partnering with stakeholders to promote responsible fisheries management
- Monitoring, managing and mitigating the Group's impact on the environment

Building trusted relationships

- Encouraging proactive engagement with key stakeholders
- Adhering to strict food safety standards
- Delivering value for local communities

2.2 History and nature of business of Westbank

2.2.1 *Incorporation and history*

Westbank was incorporated with the Louisiana Secretary of State effective 16 December 1991, as a wholly-owned subsidiary of Daybrook. Westbank Corporation was converted into a Louisiana limited liability company, Westbank Fishing, LLC at the time of the Daybrook Transaction.

Strategically located in Empire, Louisiana, about 60 miles south of New Orleans, near the mouth of the Mississippi River, Westbank is in close proximity to the abundant Gulf Menhaden resource (one of the largest fisheries in the US).

2.2.2 *Nature of Business*

Westbank operates a fleet of 11 refrigerated tender vessels of ~170ft. in length and built to carry 500 MT of harvested fish in two refrigerated holds. Each vessel carries two 40ft. purse boats, which harvest Gulf Menhaden through a fishing process referred to as “purse seining”. Each vessel has a fishery endorsement which grants such vessel the right to fish for Menhaden in the Gulf of Mexico. Applicable federal law requires that at least 75% of the equity interests in Westbank be owned and controlled by US citizens.

The raw material is unloaded from the fishing vessels directly to Daybrook Fisheries, the largest Gulf Menhaden processing plant in the US, where it is processed into high-value fishmeal, a high protein feed ingredient, and fish oil, which is sold for aquaculture and animal feeds and also for further refining into dietary supplements.

Westbank also owns and operates thirteen Cessna spotter airplanes to assist the fishing fleet in locating schools of Gulf Menhaden. Westbank maintains the aircraft and operates a full aviation repair maintenance facility at Stennis Airport in Mississippi. The fishing industry relies on spotter planes to assist the captains in locating the fish.

2.2.3 *Product Landed*

Gulf Menhaden, oily fish, are migratory plankton surface-feeders that swim in large schools during the fishing season in the Gulf of Mexico, which extends from mid-April to November.

Typically, Westbank's vessels are responsible for 35% to 40% of the annual US Gulf Menhaden catch.

3. THE PROPOSED ARRANGEMENT

3.1 **Background**

In July 2015, Oceana concluded the acquisition of 100% of Daybrook Fisheries, including an indirect 25% interest in Westbank. The other 75% interest in Westbank was held by Westbank Partners, a consortium of key managers and investors who met the US citizen ownership requirements of the AFA.

It was envisaged that the acquisition of Daybrook Fisheries would enable Oceana to enhance the value proposition and returns to its Shareholders through:

- diversification of Oceana's fishing rights and fish species exposure;
- diversification of Oceana's geographic and currency exposure;
- enhanced Group profitability and cash flow generation;
- return of cash flows back into South Africa through dividends and/or management fees;
- synergistic cost savings to be realised upon implementation of the Daybrook Transaction;
- efficiencies to be derived from upgrades to the Daybrook Fisheries' processing plant; and
- cross skills and knowledge transfer that may enhance efficiencies in Oceana's existing South African businesses as well as in Daybrook Fisheries' operations.

A number of agreements were put in place between Daybrook and Westbank in order to regulate the relationship between Daybrook and Westbank Partners in relation to Westbank, as well as the relationship of Westbank as supplier to Daybrook. These documents included the Fish Supply Agreement and the Operating Agreement which contained the Put Option in favour of the Westbank Partners entitling them to put the Westbank Interest to Daybrook Fisheries or its designee.

In January 2018, the Put Premium (USD15.0 million) was settled by Daybrook to Westbank Partners following their notice to exercise the Put Option in November 2016.

3.2 Rationale

In November 2016, Westbank Partners notified Daybrook Fisheries of the exercise of its Put Option over the Westbank Interest, which was subsequently disclosed in Oceana's 2016 Annual Financial Statements (as a subsequent event) and its 2017 Annual Financial Statements.

As a result of neither Oceana nor any of its local or foreign subsidiaries being able to acquire the Westbank Interest, due to the AFA US citizen ownership requirements, the Oceana Board embarked on a bidding process to identify an appropriate US citizen who could acquire the Westbank Interest.

The Board considered it prudent to form an independent sub-committee comprising only non-executive members, with a mandate to seek and evaluate offers for the Westbank Interest ("the Independent Committee"). Standard Bank was appointed to manage the process for the Board and in addition, provide advice and guidance to the Independent Committee.

Prior to this process, Mr. Kuttel indicated that he would be interested in acquiring the Westbank Interest. Mr. Kuttel is a US citizen and, prior to his tenure at Oceana, he operated and managed a fleet of vessels for five years in an Alaskan fishing venture.

The Independent Committee considered it important that a robust and transparent process was followed in which proper and careful consideration was given to all the bids received. Stringent governance measures were put in place given that Mr. Kuttel was a director of Oceana until 13 February 2018 and accordingly deemed a related party in terms of the Listings Requirements of the JSE.

The key evaluation criteria applied by the Independent Committee were US citizenship, commercial attractiveness of the transaction, longevity of the new structure, ability to drive innovation and the bidder's expertise in and knowledge of the industry.

After thorough deliberation the Independent Committee identified Mr. Kuttel's proposal as being the most attractive to Oceana and Daybrook Fisheries.

4. TERMS OF THE PROPOSED ARRANGEMENT

The Proposed Arrangement concerns the assignment by Daybrook Fisheries, and the assumption and performance by Makimry, an entity majority owned and controlled by Francois Kuttel, of Daybrook's obligation to acquire the Westbank Interest from Westbank Partners following the exercise of the Put Option by Westbank Partners.

The Proposed Arrangement is subject to a number of amendments being made to the Fish Supply Agreement and Operating Agreement, including the replacement of existing warrant issued by Westbank to Daybrook Fisheries with the new Warrant, as well as the employment of Mr. Kuttel by Westbank.

4.1 Amendments to the Westbank Agreements

A summary follows of the material amendments to the Fish Supply Agreement and the Operating Agreement proposed under the Proposed Arrangement, as well as the material terms of the new Warrant issued by Westbank in favour of Daybrook Fisheries.

4.1.1 Fish Supply Agreement

- A one-off increase of approximately 2.46% to the 2017 catch fee, in addition to the existing contractual annual inflationary increase, to allow Westbank to cover its operating costs, which have increased in recent years, and ensure its sustainability as a stand-alone business in the long term.
- Introduction of a catch fee adjustment mechanism to ensure the sustainability of Westbank in the long term whereby:
 - catch fee will be adjusted upwards or downwards retrospectively during a contract year should input costs (such as fuel, labour and insurance costs for vessels and aircraft) vary by more than inflation or less than inflation, respectively;
 - in low catch years, the catch fee will be increased to the extent necessary to ensure Westbank can meet loan covenants to the External Funder. However, an increase of this nature would be accrued in the books of Westbank and recouped by Daybrook Fisheries by reducing the catch fee in subsequent years when catches improve ("Daybrook Catch Fee Recovery"); and
 - a force majeure event prevailing for up to a year that prevents Daybrook Fisheries from accepting product from Westbank will not excuse Daybrook Fisheries from accepting the greater of the amount of fish actually harvested or the nominal average daily delivery of fish during that period which cost currently is and would continue to be covered by the business interruption insurance policy of Daybrook Fisheries.

4.1.2 **Operating Agreement**

- Westbank's excess cash will be subject to distribution and utilisation as follows (in order of preference), with *pro rata* distributions being based on membership interests (i.e., 75% to Makimry, 25% to Daybrook):
 - debt service distributions to Makimry (followed immediately by a repayment of an equal amount to Westbank as a payment by Makimry on the Westbank Loan) and Daybrook, *pro rata*, equal to both required debt payments and cash sweeps on the Bank Loan, with Daybrook's distribution accruing in the books of Westbank; to the extent permitted under the Bank Loan agreements: tax distributions to Makimry and Daybrook in an amount sufficient to pay their income tax liability for allocated but undistributed income of Westbank, with Daybrook's distribution accruing in the books of Westbank;
 - amounts necessary to cure any monetary defaults under the Bank Loan, distributed to Makimry (followed immediately by a repayment of an equal amount to Westbank as a payment by Makimry on the Westbank Loan) and Daybrook, *pro rata*, with Daybrook's distribution accruing in the books of Westbank;
 - following the satisfaction in full of the Bank Loan but prior to the repayment in full of the Westbank Loan, and subject to Westbank's prior payment of the Daybrook Catch Fee Recovery, distribution of the amount necessary to satisfy the Westbank Loan in full to Makimry (followed immediately by a repayment of an equal amount to Westbank as a payment by Makimry on the Westbank Loan) and Daybrook, *pro rata*, with Daybrook's distribution paid in cash;
 - payment of any unpaid distributions accrued in favour of Daybrook in the books of Westbank; and
 - amounts determined by the board of Westbank payable to the Westbank members, *pro rata*.
- The mechanism currently in place which provides for a true-up distribution equivalent to 10% of the combined EBITDA of Daybrook Fisheries and Westbank will be replaced by a market-related incentive bonus payable by Daybrook Fisheries to Makimry based on the volume of fish landed by Westbank. The bonus in any given year will be adjusted downwards by a production yield factor based on a target production yield of 37.5% for that year.
- The following exit mechanisms will apply to the Westbank interest holders:
 - **Drag along:** Drag-along rights in favour of Daybrook Fisheries requiring Makimry to sell the Westbank Interest to a third party who wishes to acquire control of Daybrook Fisheries and Westbank, for a price not less than the fair market value of the Westbank Interest.
 - **Tag along:** Daybrook Fisheries is prohibited from disposing of its 25% interest in Westbank to a third party (by way of change of control of Daybrook Fisheries or otherwise), unless Makimry is able to sell its 75% Westbank Interest to such third-party on the same terms and conditions. If such third-party is not a qualified US citizen capable of acquiring the Westbank Interest under the AFA, the sale is allowed to proceed provided the third party will assume Daybrook Fisheries' obligations under the various agreements in relation to Westbank and Makimry.
 - **Daybrook Fisheries Warrant:** the existing warrant issued by Westbank in favour of Daybrook Fisheries under which Daybrook Fisheries or its nominated transferee could elect to purchase 2,000 units of membership interest in Westbank for USD 0.01 per membership interest unit, would be replaced with a new Warrant exercisable by Daybrook Fisheries in the period up until 31 December 2045 (or the later date of expiry of the Fish Supply Agreement, as extended) upon the occurrence of (i) Kuttel's death or disability (and subject to the exercise of the Makimry Put Option), (ii) a finding in Westbank by an arbitrator that Daybrook Fisheries has been treated in an illegal, oppressive, or fraudulent manner ("Member Oppression") in relation to Westbank and Makimry has failed to cure the breach (if curable); (iii) a finding by an arbitrator that the managers of Westbank appointed by Makimry have breached their fiduciary duties to Westbank and Makimry has not cured the breach (if curable). In the case of Kuttel's death or disability, Daybrook Fisheries is required to give notice within 30 days of the death or disability that it intends to exercise the Warrant. The Warrant expires on the later of 31 December 2045 or the date of expiry of the fish supply agreement (as extended).

- **Makimry Put Option:** Makimry has a put option to require Daybrook Fisheries (or an assignee of Daybrook Fisheries) to purchase all, but not less than all, of the Westbank Interest upon the occurrence of (i) the Warrant being exercised by Daybrook Fisheries; (ii) Mr. Kuttel's death or disability; (iii) Oceana ceasing to beneficially own a majority of the capital, profits or voting rights in Daybrook Fisheries; or (iv) an arbitrator determines that there is a deadlock in Westbank after the members or managers designated by Daybrook Fisheries block, 3 or more times, certain corporate actions which require a 76% supermajority vote of the members or managers of Westbank, and in so doing cause the reputation, business, a business opportunity, or any business relationship of Westbank to be materially injured or lost. The put option is exercisable within 90 days following one of the occurrences, but if Daybrook provides notice of intent to exercise the Warrant for death or disability, the put option is exercisable for 90 days thereafter, and if the occurrence is the arbitrator's decision, the put option is deemed exercised as of the date of such decision.

- **Makimry Put Option Purchase Price:**

The Makimry Put Option exercise price will be as follows:

- if exercised due to the exercise of the Warrant by Daybrook Fisheries due to Mr. Kuttel's death/disability, the purchase price of the Westbank Interest will be the greater of USD31.5 million on a cash free and debt-free basis (for years 1 to 3 post completion of the Proposed Arrangement) or its fair market value as of the last day of the immediately preceding fishing season;
- if exercised due to the exercise of the Warrant by Daybrook Fisheries due to an arbitrator's finding of Member Oppression or a breach of fiduciary duty by Makimry's appointed managers, the purchase price of the Westbank Interest will be:
 - in years 1 to 3 post completion of the Proposed Arrangement, the greater of (i) USD31.5 million on a cash-free and debt-free basis and (ii) its fair market value as of the last day of the immediately preceding fishing season;
 - in years 4 to 9 post completion of the Proposed Arrangement, the greater of (i) a value determined using a 5.65 EBITDA multiple (using the 2-year trailing average EBITDA of Westbank as of the last day of the immediately preceding fishing season) and (ii) its fair market value as of the last day of the immediately preceding fishing season;
 - after 9 years post completion of the Proposed Arrangement, its fair market value as of the last day of the immediately preceding fishing season;

and in each of the above cases interest will accrue on the amount at 75% of the prime rate from the date of exercise to closing,

- if exercised for Mr. Kuttel's death or disability, without the Warrant being exercised, the purchase price of the Westbank Interest will be the greater of (i) USD31.5 million on a cash-free and debt-free basis (for years 1 to 3 post completion of the Proposed Arrangement) or (ii) its fair market value as of the last day of the immediately preceding fishing season.
- if exercised for (i) Oceana ceasing to own a majority of Daybrook Fisheries or (ii) a finding of deadlock in Westbank, fair market value as of the last day of the immediately preceding fishing season.

Subject to distribution priority, Westbank shall cause all available excess cash to be distributed to its members and pay Daybrook Fisheries all unrecouped amounts of the Daybrook Catch Fee Recovery immediately preceding the closing of any sale pursuant to the exercise of the Makimry Put Option.

A 6-month notice period applies if Daybrook Fisheries exercises the Warrant and the Makimry Put Option is exercised by Mr. Kuttel within 90 days thereafter. Otherwise a 12-month notice period will apply to the exercise of the Makimry Put Option.

Neither OGL Holdco nor Oceana will be required to guarantee the payment of the Makimry Put Option purchase price or Daybrook Fisheries' performance under the Operating Agreement.

- **Condition to closing of Put Option and Warrant:** any acquisition or payment by Daybrook Fisheries under the Put Option or Warrant is conditional on any approvals required under the Listings Requirements for such acquisition or payment first being obtained, including for a related party or categorised transaction as required of Oceana by the Listings Requirements. In the event that any such approval is not obtained, Makimry will be entitled to dispose of the Westbank Interest on an arm's length basis to a third party of its choice who is a qualifying US citizen under the AFA and does not compete with Daybrook Fisheries.

- **Voluntary disposal:** Makimry has the right to dispose of the Westbank Interest to a bona fide, independent third party who (i) is a qualifying American citizen under the AFA, (ii) does not compete with Daybrook Fisheries, and (iii) satisfies the expertise, competency and financial strength requirements of the Operating Agreement (“Independent Third Party Qualifications”) provided that if Daybrook Fisheries objects on the grounds that such person does not meet the Independent Third Party Qualifications then Daybrook Fisheries or its assignee will be required to acquire Makimry’s membership interest on the same terms, conditions and consideration set forth in the transfer proposal no later than 12 months following its objection, such objection to be given within 60 days of receipt of the transfer notice.
- **Estate Planning:** Mr. Kuttel undertakes to adopt estate planning measures to ensure that upon his death, until the closing of the Makimry Put Option, his interest will pass to a qualified US citizen so as to ensure MarAd compliance of Westbank following his death. Mr. Kuttel would be required to provide such documents and information as may be reasonably required to establish that such estate planning measures have been adopted, and would also be required to immediately notify both Oceana and Daybrook Fisheries in the event, for estate planning purposes, there is non-compliance with the MarAd US citizen requirements.

4.2 **Employment of Mr. Kuttel**

Mr Kuttel’s employment by Westbank, including his remuneration, will be in line with the past employment of Westbank executive management. His employment will be subject to standard-group performance criteria and will include customary terms regarding termination for cause.

4.3 **Funding of Proposed Arrangement**

The purchase price for the Westbank Interest is USD31.5 million (ZAR378.0 million) on a cash-free and debt-free basis payable in cash on or about 15 April 2018.

An External Funder will lend USD30.7 million (ZAR368.4 million) to Westbank (“Bank Loan”), which Bank Loan proceeds will in turn be on-lent by Westbank to Makimry (“Westbank Loan”). The interest rate payable on the Westbank Loan by Makimry will equal the interest rate payable under the Bank Loan. Mr. Kuttel has undertaken to contribute an amount of USD0.8 million (ZAR10 million) to Makimry to finance the acquisition of the Westbank Interest.

Westbank’s post-tax distributable cash-flow will be utilised to settle the Bank Loan instalments and until the Bank Loan and the Westbank Loan are paid in full, Westbank will declare distributions payable to its members that include an amount equivalent to the instalments owing under the Bank Loan. The portion of these annual member distributions declared in favour of Makimry will be set-off by Westbank against the Westbank Loan. Daybrook Fisheries’ portion will accrue in the books of Westbank but not be paid until the Bank Loan is repaid, unless there is sufficient cash flow available to do so.

The repayment of the Bank Loan will be secured by a first-priority *lien* (security interest, pledge or mortgage, as applicable) over:

- all the assets of Westbank, including vessels and airplanes;
- the Westbank Interest; and
- 100% of the membership interest in Makimry.

Repayment of the Westbank Loan would be secured by a second-priority *lien* (security interest and pledge) over the Westbank Interest. As the Westbank Loan is repaid, a corresponding percentage of the Westbank Interest will be released from such *lien*.

The existing mortgage over Westbank’s vessels in favour of Daybrook Fisheries will be subordinated in favour of the External Funder providing the Bank Loan. Westbank and Daybrook Fisheries will enter into an intercreditor agreement with the External Funder and OGL HoldCo will enter into a “call” agreement with the External Funder, which would include call rights in favour of OGL HoldCo, in the event of an uncured payment default by Westbank, requiring or allowing the Bank Loan and security to be assigned to and assumed by OGL HoldCo or its designee. OGL HoldCo will have 10 business days to provide written notice to exercise the call following notification by the External Funder of an uncured payment default.

If the Bank Loan is not paid at the end of its term Daybrook Fisheries and Makimry will agree to substantially similar security arrangements and obligations to the Bank Loan on commercially competitive terms and provided no further obligations or security are provided by Daybrook Fisheries or its affiliates in excess of what is provided under the Bank Loan.

4.4 **Conditions**

The Agreement is subject to customary closing conditions, including, but not limited to the following material conditions:

- Oceana Shareholders approving the Proposed Arrangement;
- all regulatory consents, approvals and/or exemptions required for the Proposed Arrangement and the continued operation of the business of Westbank in line with past practice, including without limitation the approvals and/or exemptions (as applicable) of MarAd, USCIS and the JSE, and such approvals and/or exemptions are not withdrawn, cancelled or revoked;
- the execution, reinstatement and issue, as applicable, of the Fish Supply Agreement, Operating Agreement and the replacement Warrant;
- Mr. Kuttel's employment by Westbank;
- finalisation and completion of the funding agreements in respect of the Bank Loan and Westbank Loan, including without limitation an intercreditor agreement and other loan agreements between the External Funder, Daybrook Fisheries, Westbank and/or Makimry; and
- no legal or governmental restraint or action impeding completion of the Proposed Arrangement.

The Proposed Arrangement will not become effective until and unless all the Conditions are satisfied or waived (if applicable).

5. **JSE CATEGORISATION AND RELATED PARTY IMPLICATIONS**

In terms of section 10.1 of the Listings Requirements the Agreement is classified as an agreement between Oceana and a related party. Oceana has, however, received dispensation from the JSE for the requirement to obtain a fairness opinion in terms of section 10 of the Listings Requirements.

However, in order to provide Shareholders with the necessary information in order to ascertain the financial impact of the Proposed Arrangement, details of the costs associated with the amendments to the Westbank Agreements, including the incentive mechanism of approximately ZAR12.9 million (before taxation), have been set out in this Circular, in particular as part of the notes to the *pro forma* financial information in paragraph 6 and **Annexure 1** of this Circular.

The Agreement will be subject to Oceana Shareholders' approval by way of ordinary resolution as detailed in the Notice of General Meeting, in line with the requirements of section 10 of the Listings Requirements.

Accordingly, the validity of the resolution is subject to the approval by a simple majority of Oceana Shareholders present (in person or by proxy) and voting at the General Meeting, other than Mr. Kuttel and his associates.

6. **SUMMARISED PRO FORMA FINANCIAL EFFECTS RELATING TO THE PROPOSED ARRANGEMENT**

The table below sets out the summarised *pro forma* financial effects of the Proposed Arrangement.

This is based on Oceana's audited results for the 12 months ended 30 September 2017, released on SENS on 16 November 2017.

The summarised *pro forma* financial effects have been prepared to assist Oceana Shareholders in assessing the impact of the Proposed Arrangement on the Company's EPS, diluted EPS, HEPS, diluted HEPS, NAV per share and TNAV per share.

The summarised *pro forma* financial effects have been prepared in a manner consistent in all respects with IFRS, the accounting policies adopted by Oceana as at 30 September 2017, and the Revised SAICA Guide on *Pro forma* Financial Information and the Listings Requirements of the JSE.

The Oceana Board is responsible for the compilation, contents, accuracy and presentation of the summarised *pro forma* financial effects, and for the financial information from which it has been prepared.

The summarised *pro forma* financial effects have been prepared for illustrative purposes only, and, because of their nature, will not fairly present Oceana's financial position, changes in equity, results of operations or cash flows in subsequent periods.

	Adjusted before the Proposed Arrangement (Note 1)	Pro forma after the Proposed Arrangement (Note 2)	% change[#]
EPS (cents)	418.1	403.7	(3.4)
Diluted EPS (cents)	381.8	368.8	(3.4)
HEPS (cents)	408.7	394.3	(3.5)
Diluted HEPS (cents)	373.2	360.2	(3.5)
NAV per share (cents)	3 137.8	3 129.7	(0.3)
TNAV per share (cents)	(660.7)	(668.8)	(1.2)
Number of shares in issue (millions)	116.8	116.8	–
Weighted average number of shares used in the calculation of basic EPS and basic HEPS (millions)	116.7	116.7	–
Weighted average number of shares used in the calculation of diluted EPS and diluted HEPS (millions)	127.8	127.8	–

[#] Percentage change is with reference to the "Adjusted before the Proposed Arrangement" column.

Notes:

1. The "Adjusted before the Proposed Arrangement" financial information has been extracted from Oceana's financial statements for the period ended 30 September 2017, on which an auditor's report was issued on 16 November 2017 and released on SENS on 16 November 2017, and has been adjusted for the effects of Mr. Kuttel's resignation from Oceana.
 - 1.1 As a result of Mr. Kuttel's resignation with immediate effect, he has forfeited all share options that had not vested at that date. For the purposes of the *pro forma* statement of comprehensive income, and in relation to Mr. Kuttel's options only, a reversal of the net IFRS 2 charge recognised in the 2017 financial year of ZAR2.2 million as well as the release of the equity reserve and liability relating to any unvested equity and cash-settled options of ZAR25.9 million, respectively, as at 1 October 2016, equivalent to a total of ZAR28.1 million has been recognised. Due to Mr. Kuttel's resignation with immediate effect, the Oceana remuneration committee has approved a payment to Mr. Kuttel of ZAR876 000 *in lieu* of not having served his contractual 3-month notice period. The net effect of the IFRS 2 release together with the additional payment is ZAR27.2 million. Note that of the unvested options at 1 October 2016, Mr. Kuttel had in fact exercised options equivalent to ZAR19.4 million during the 2017 financial year and at the time of his resignation on 13 February 2018, he forfeited ZAR7.1 million in unvested options, which forfeiture will be recognised in the 2018 financial year. As none of the equity settled option schemes were in the money at 30 September 2017, no options were included in the number of shares figure used to calculate diluted earnings per share and diluted headline earnings per share. Therefore, no adjustment to the relevant weighted average number of shares figure is required. The *pro forma* financial effects of Mr. Kuttel's resignation will impact the *pro forma* statement of comprehensive income regardless of whether the Proposed Arrangement is approved by shareholders or not.
2. The *pro forma* "After the Proposed Arrangement" financial information comprises the "Adjusted before the Proposed Arrangement" financial information and adjustments based on the following principal assumptions:
 - 2.1 For the purposes of the *pro forma* financial effects only, the Proposed Arrangement date is assumed to be 1 October 2016, the start date of Oceana's 2017 financial year, for the statement of comprehensive income and 30 September 2017 for the statement of financial position items. Statement of comprehensive income items have been converted to ZAR at the average exchange rate for the period 1 October 2016 to 30 September 2017 of USD1: ZAR13.42 and statement of financial position items at the closing rate as at 30 September 2017 of USD1: ZAR13.58.

Westbank executive remuneration

- 2.2 Executive remuneration adjustments relate to the fact that Westbank will save the remuneration of one executive director as a result of the Proposed Arrangement.
 - 2.2.1 Saving of ZAR1.7 million for one Westbank executive director after taking into account Oceana's 25% interest in Westbank. Westbank is equity accounted by Oceana.

Catch fee adjustment

- 2.3 Upfront increase of 2.46% on the 2017 catch fee payable to Westbank.
 - 2.3.1 An increase in Daybrook's cost of sales of ZAR14.5 million as a result of the increase in the cost of fish purchased from Westbank.
 - 2.3.2 A ZAR3.6 million increase in Oceana's 25% share of Westbank's net profit as a result of the increase in revenue from fish sold to Daybrook.

Incentive bonus

- 2.4 Incentive bonus adjustments reflect the proposed incentive mechanism based on catch volumes and yields relative to targets. The incentive bonus is payable by Daybrook to Makimry in respect of a full contract year (1 January to 31 December) and is accrued at the end of the financial year if the volume target has been met at that date. Based on the catch volume as at 30 September, an incentive bonus would have been payable at year-end even though the fishing season had not ended.
 - 2.4.1 An incentive bonus of ZAR2.0 million accrued for the 2017 financial year based on the actual catch and yield for the 2017 financial year relative to the specified targets.

Proposed Arrangement costs

- 2.5 Proposed Arrangement costs include costs payable by Daybrook as well as Oceana's 25% share of costs incurred by Westbank. These costs exclude any debt commitment and arrangement fees payable by Westbank which are estimated to be ZAR2.6 million. The fees related to the debt facility do not have a *pro forma* effect as there is an equal and offsetting interest income and expense as a result of loan asset made to Makimry Patronus LLC which will be accounted for in the same manner as the loan liability owing to the bank i.e. using the effective interest rate method. Therefore the financing structure has a nil net effect on the associate and joint venture income line item.
- 2.5.1 Proposed Arrangement costs expensed by Westbank of ZAR0.3 million representing Oceana's 25% share thereof. Proposed Arrangement costs are paid for out of Westbank's existing cash resources.
- 2.5.2 Proposed Arrangement costs expensed by Daybrook of ZAR14.1 million, including an estimated ZAR240 000 premium for the key man insurance policy that Daybrook is obliged to take out will be paid by Daybrook out of existing cash resources on closing of the Proposed Arrangement.
3. All adjustments are assumed to be taxable or tax deductible, as applicable. The tax effects are calculated applying legislated South African corporate tax rate of 28% and federal tax rate of 35% in the United States of America, as applicable.
4. Proposed Arrangement costs, aside from the key man insurance premium, as well as remuneration adjustments relating to Mr. Kuttel's resignation are considered non-recurring. All other adjustments are expected to have an ongoing effect.

Makimry Put Option

In terms of the Operating Agreement, exercise of the Makimry Put Option by Mr. Kuttel can occur, at the earliest, during the second financial period following the Proposed Arrangement assuming Daybrook has not exercised the Warrant under its own control, as the exercise will only be effective 12 months after the date of notification from Mr. Kuttel.

Post the effective date of the Proposed Arrangement and before any exercise of the Makimry Put Option, a derivative liability would only be recognised in the annual financial statements, through profit or loss, to the extent there is an estimated shortfall between the highest possible Put Option Purchase Price, applicable for that period as described in paragraph 4.1.2, and the estimated fair market value of the Westbank Interest. The possibility of a shortfall arising is considered remote as the exercise of the Warrant is under Daybrook's control and exercisable at its discretion which it is unlikely to do in the event there is a material shortfall to the Put Option Purchase Price. Similarly, the amount of USD31.5 million, which is the minimum Put Option Purchase Price in the event the Makimry Put Option is triggered by death or disability in the first 3 years, is the current purchase price being paid by Makimry and is supported by detailed valuation undertaken by both the Company and Makimry independently of each other, and thus it is not anticipated that fair market value would deviate materially from the USD31.5 million in the near term.

In the event the Makimry Put Option, is triggered by Mr. Kuttel's death or disability in years 1 to 3, the Put Option Purchase Price would be the higher of USD31.5 million and fair market value which could result in a potential shortfall should fair market value be lower than the USD31.5 million at exercise date. Based on current knowledge of the business there is no reason to assume that fair market value will be less than USD31.5 million and management therefore do not expect a liability to arise. In addition, Daybrook is obliged to take out key man insurance with Daybrook as the named beneficiary, and in the event of Mr. Kuttel's death or disability, will apply the proceeds thereof to cover any shortfall to the Put Option Purchase Price. These proceeds will result in a profit equal to the loss arising from the shortfall thus neutralising any impact on profit or loss. In the event that the Makimry Put Option is exercised for any reason other than death or disability, no derivative liability is expected to arise, as the Put Option Purchase Price would be fair market value.

In the event the Makimry Put Option is exercised and a new US citizen acquirer not identified at the closing date, there would be a temporary cash outflow being the Put Option Purchase Price until a new US citizen acquires the Westbank Interest. This is, however, considered to be a remote possibility due to the adverse business implications of not complying with the AFA requirement that qualifying fishing vessels in the US be owned and controlled by US citizens. The possibility of there being a material shortfall between the Put Option Purchase Price and price paid by a new US citizen in this event is also considered remote for the reasons explained above.

Subsequent events

Subsequent to 30 September 2017, the put option derivative liability of ZAR164.2 million on Oceana's statement of financial position at 30 September 2017, relating to the Put Premium (USD15.0 million), has been settled to Westbank Partners in January 2018 following their notice to exercise the Put Option in November 2016 (refer to note 37 in Oceana's 2017 annual financial statements). A fair value adjustment to the final Put Option liability has been recognised through profit and loss for the 2018 financial year. This is not considered to have a *pro forma* financial effect as this payment formed part of an existing agreement already approved by shareholders and is not as a result of the Proposed Arrangement. In terms of an addendum to the existing Operating Agreement entered into on 15 February 2018, the put closing date was extended to 15 April 2018 on which date the put option strike price (USD31.5 million) will be due for payment. In terms of the addendum, the unpaid distributions of USD7.9 million, owing under the existing agreements, were paid on 15 February 2018. There are no other subsequent events which require adjustment to the *pro forma* financial effects.

The full *pro forma* financial effects are included in **Annexure 1** and should be read in conjunction with the Reporting Accountants report thereon as **Annexure 2**.

7. DIRECTORS

7.1 Directors' interests in Shares

The direct and indirect beneficial interests in Oceana Shares held by the Directors, (including Directors who resigned during the last 18 months) and their associates as at the Last Practicable Date, are set out below:

	Direct	Indirect	Aggregate
FP Kuttel*	–	138 432	138 432
I Soomra	–	72 987	72 987
Total	–	211 419	211 419

*Resigned 13 February 2018.

7.2 Directors' interests in transactions

Save as disclosed above, none of the Directors, including any Director who has resigned from Oceana in the last 18 months, had any other material beneficial interest, whether direct or indirect, in any transaction effected by Oceana during the current or immediately preceding financial year, or in an earlier year, and which remains in any respect outstanding or unperformed.

Further information on the Directors profiles, service agreements and remuneration (including share options) are set out in **Annexure 3** of this Circular.

8. MAJOR SHAREHOLDERS OF OCEANA

The Oceana Ordinary Shareholders (other than Directors) that are, directly beneficially interested in 5% or more of the Oceana Shares, as at the Last Practicable Date are set out below:

Name of Shareholder	Number of Shares	Percentage of issued share capital (%)
Tiger Brands	57 104 774	42.1
Brimstone	23 007 113	17.0
Oceana Empowerment Trust	13 661 939	10.1
	93 773 826	69.2

There are no major Shareholders holding an indirect interest of 5% or more.

There has been no history of any change in the shareholding of Tiger Brands and trading objects of the Company, and any of its subsidiaries, during the past five years.

9. LITIGATION STATEMENT

The Directors of Oceana are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or had in the previous 12 months, a material effect on the Oceana Group's financial position.

10. MATERIAL CHANGES

There have been no material changes in the financial or trading position of Oceana and its subsidiaries between the publication of the Oceana Group's results for the financial year ended 30 September 2017, and the Last Practicable Date.

11. MATERIAL CONTRACTS

Material contracts entered into by the Oceana group, being restrictive funding arrangements and/or a contract entered into otherwise than in the ordinary course of business carried on, or proposed to be carried on, during the two years preceding the date of this Circular, or entered into at any time and contains an obligation or settlement that is material to the Company or its subsidiaries at the date of this Circular are set out in **Annexure 4** of this Circular.

Furthermore, none of the acquisitions entered into by the Oceana during the past three years (other than the Daybrook Transaction) are considered material to the Oceana Group. As such no vendor information has been disclosed.

12. OPINION AND RECOMMENDATION

The Board has evaluated the rationale for, and the terms and conditions of, the Agreement and believes the Proposed Arrangement is compelling for strategic and financial reasons.

Given the above, and taking into account the Independent Committee's opinion on the Proposed Arrangement, the Board is of the opinion the Proposed Arrangement is consistent with Oceana's strategy and will significantly enhance Oceana's Shareholder value.

Accordingly, after due consideration, the Board unanimously recommends that Oceana Shareholders vote in favour of all the resolutions necessary to approve and implement the Proposed Arrangement as set out in the Notice of General Meeting.

Imraan Soomra, being the only Director with an interest in Oceana, intends to vote in favour of the resolutions necessary to approve and implement the Proposed Arrangement.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names and details are provided on page 13 and in **Annexure 3** of this Circular, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their 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 and that this Circular contains all information required by law and the Listings Requirements.

14. EXPENSES RELATING TO THE PROPOSED ARRANGEMENT

It is estimated that the Oceana Group's expenses relating to the Proposed Arrangement will amount to approximately ZAR14,4 million (excluding VAT), as set out in the table below:

Nature of Expense	Paid/payable to	Amount (ZAR'000)
Investment bank and transaction sponsor to Oceana	The Standard Bank of South Africa Limited	7 000
South African legal counsel to Oceana	Webber Wentzel	1 500
United States legal counsel to Oceana	K&L Gates	1 000
United States legal counsel to Oceana	Kean Miller LLP	2 500
Transfer Secretaries	Computershare Investor Services	5
Namibian Sponsoring Broker	Old Mutual Investment Services (Namibia) Proprietary Limited	5
Reporting accountants	Deloitte	650
Auditors (Westbank)	Deloitte	300
Circular Design and Printing	Ince	300
Public relations	Corporate Image Proprietary Limited	300
JSE – documentation inspection fees and ruling request fees	JSE Limited	8
Other associated costs including travel, key man insurance premium and contingency		832
Total		14 400
Payable by Daybrook		14 100
Payable by Westbank		300

15. NOTICE OF GENERAL MEETING

The General Meeting of Oceana Shareholders will be held on the 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 at 14:00 on Friday, 13 April 2018 to consider, and if deemed fit, to pass, with or without modification, the resolutions required to approve and implement the Proposed Arrangement.

A notice convening such General Meeting is attached to, and forms part of this Circular. Oceana Shareholders are referred to the Notice of General Meeting for details on the resolutions to be proposed at the General Meeting and to page 5 of this Circular stipulating the action required by Oceana Shareholders for information on the procedure to be followed by Oceana Shareholders in order to exercise their votes at the General Meeting.

All of the resolutions proposed in the Notice of General Meeting are inter-conditional.

16. EXPERTS' CONSENTS

Each of the Company's advisers, whose names appear on the cover page of this Circular, have consented in writing to act in the capacities stated and to their names appearing in the Circular, and have not withdrawn their consent prior to the publication of the Circular.

17. DISCLOSURE OF CONFLICT

Shareholders are advised that Standard Bank acts as Investment Bank and Sponsor to Oceana in relation to the Proposed Arrangement.

In its capacity as Sponsor, Standard Bank does not believe that there is any matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in professional dealings in relation to Oceana and that would impact on its ability to act within the Code of Conduct as set out in the Listings Requirements of the JSE.

It has various internal procedures in place to ensure that its ability to act independently as sponsor, is not compromised.

Pursuant to these internal procedures, Standard Bank has a Compliance Control Room that identifies and manages conflicts risks and ensures that strict "Chinese Walls" are maintained to ensure that as JSE Sponsor, it is able to act independently from other divisions within the bank. Standard Bank also enforces and implements physical and logical access restrictions to information, which is limited to deal teams for whom the information is relevant, for the purpose of fulfilling the client mandate.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of Oceana, 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 and at Standard Bank, 30 Baker Street, Rosebank, 2196, during normal business hours (excluding Saturdays, Sundays and South African public holidays) from the date of this Circular up to and including Friday, 13 April 2018:

- 18.1 this Circular;
- 18.2 the Memorandum of Incorporation of Oceana and each of its major subsidiaries;
- 18.3 the experts' consents referred to in paragraph 16 of this Circular;
- 18.4 the material contracts referred to in paragraph 11 and **Annexure 4** of this Circular;
- 18.5 the Westbank Agreements (redacted versions will lie open for inspection in order to protect commercially sensitive information being divulged, potentially to employees and competitors, who may take unfair advantage of it to the prejudice of Westbank and Daybrook Fisheries);
- 18.6 the Oceana Group audited consolidated financial statements for the financial year ended 30 September 2017, 2016 and 2015; and
- 18.7 the reporting accountants' report, as contained in **Annexure 2**, on the *pro forma* financial information set out in paragraph 6 and **Annexure 1** of this Circular.

Signed at Cape Town by and/or on behalf of Oceana in terms of a resolution of the Directors.

By order of the Board

Mr. Imraan Soomra

Interim Chief Executive Officer and Group Financial Director

16 March 2018

Registered office:

9th Floor, Oceana House
25 Jan Smuts Street
Foreshore
Cape Town, 8001
South Africa
(PO Box 7206, Roggebaai, 8012)

PRO FORMA FINANCIAL INFORMATION OF OCEANA

The definitions and interpretation commencing on page 8 of this Circular apply, *mutatis mutandis*, to this **Annexure 1** to the Circular.

The *pro forma* statement of financial position and statement of comprehensive income have been prepared for illustrative purposes only and, because of their nature, may not fairly present the Company's financial position, changes in equity, results of operations or cash flows, nor the effect and impact of the Proposed Arrangement going forward.

The Oceana Board is responsible for the compilation, contents, accuracy and presentation of the *pro forma* financial effects, and for the financial information from which it has been prepared.

The *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income are presented in a manner consistent in all respects with IFRS, the Revised SAICA Guide on *Pro forma* Financial Information and the basis on which the historical financial information has been prepared in terms of accounting policies of the Company.

The *pro forma* statement of financial position and statement of comprehensive income as set out below should be read in conjunction with the Independent Reporting Accountants' report set out in **Annexure 2** to this Circular.

Such report is included solely to comply with the requirements of the Listings Requirements. The rules and regulations related to the preparation of *pro forma* financial information in other jurisdictions may vary significantly from the requirements applicable in South Africa.

The *pro forma* statement of financial position below presents the effects of the Proposed Arrangement on the published audited results for the 12 months ended 30 September 2017 on the assumption that the Proposed Arrangement was effective 30 September 2017.

The *pro forma* statement of comprehensive income below presents the effects of the Proposed Arrangement on the published audited results for the 12 months ended 30 September 2017, on the assumption that the Proposed Arrangement was effective 1 October 2016.

	Before the Proposed Arrangement (Note 1) R'm	Mr. Kuttel's resignation (Note 2) R'm	Adjusted before the Proposed Arrangement (Note 3) R'm	Westbank executive remuneration (Note 4) R'm	Catch fee adjustment (Note 5) R'm	Incentive bonus (Note 6) R'm	Proposed Arrangement costs (Note 7) R'm	Pro forma after the Proposed Arrangement (Note 8) R'm
Revenue	6 807.9	-	6 807.9	-	-	-	-	6 807.9
Cost of sales	4 360.0	-	4 360.0	-	14.5 (Note 5.1)	-	-	4 374.5
Gross profit	2 447.9	-	2 447.9	-	(14.5)	-	-	2 433.4
Sales and distribution expenditure	548.1	-	548.1	-	-	-	-	548.1
Marketing expenditure	48.3	-	48.3	-	-	-	-	48.3
Overhead expenditure	795.5	(27.2) (Note 2.1)	768.3	-	-	2.0 (Note 6.1)	-	770.3
Net foreign exchange loss	60.9	-	60.9	-	-	-	-	60.9
Operating profit before associate and joint venture income	995.1	27.2	1 022.3	-	(14.5)	(2.0)	-	1 005.8
Associate and joint venture income	6.4	-	6.4	1.7 (Note 4.1)	3.6 (Note 5.2)	-	(0.3) (Note 7.1)	11.4
Operating profit before other operating items	1 001.5	27.2	1 028.7	1.7	(10.9)	(2.0)	(0.3)	1 017.2
Other operating income/(expense) items	8.7	-	8.7	-	-	-	(14.1) (Note 7.2)	(5.4)
Operating profit	1 010.2	27.2	1 034.7	1.7	(10.9)	(2.0)	(14.4)	1 011.8
Investment income	29.2	-	29.2	-	-	-	-	29.2
Interest paid	(372.4)	-	(372.4)	-	-	-	-	(372.4)
Profit before taxation	667.0	27.2	694.2	1.7	(10.9)	(2.0)	(14.4)	668.6
Taxation	187.6	7.6 (Note 9)	195.2	0.6 (Note 9)	(3.8) (Note 9)	(0.7) (Note 9)	(5.0) (Note 9)	186.3

	Before the Proposed Arrangement (Note 1) R'm	Mr. Kuttel's resignation (Note 2) R'm	Adjusted before the Proposed Arrangement (Note 3) R'm	Westbank executive remuneration (Note 4) R'm	Catch fee adjustment (Note 5) R'm	Incentive bonus (Note 6) R'm	Proposed Arrangement costs (Note 7) R'm	Pro forma after the Proposed Arrangement (Note 8) R'm
Pro forma Statement of Comprehensive Income								
Profit after taxation	479.4	19.6	499.0	1.1	(7.1)	(1.3)	(9.4)	482.3
Other comprehensive (loss)/ income								
Items that may be reclassified subsequently to profit or loss:								
Movement on foreign currency translation reserve	(145.8)	–	(145.8)	–	–	–	–	(145.8)
Movement on foreign currency translation reserve from associate and joint ventures	(8.2)	–	(8.2)	–	–	–	–	(8.2)
Movement on cash flow hedging reserve	9.4	–	9.4	–	–	–	–	9.4
Income tax related to loss recognised in equity	0.1	–	0.1	–	–	–	–	0.1
Other comprehensive loss, net of taxation	(144.5)	–	(144.5)	–	–	–	–	(144.5)
Total comprehensive income for the year	334.9	19.6	354.5	1.1	(7.1)	(1.3)	(9.4)	337.8
Profit after taxation attributable to:								
Shareholders of Oceana	468.4	19.6	488.0	1.1	(7.1)	(1.3)	(9.4)	471.3
Non-controlling interests	11.0	–	11.0	–	–	–	–	11.0
Total comprehensive income attributable to:								
Shareholders of Oceana	334.9	19.6	354.5	1.1	(7.1)	(1.3)	(9.4)	337.8
Non-controlling interests	323.9	19.6	343.5	1.1	(7.1)	(1.3)	(9.4)	326.8
	11.0	–	11.0	–	–	–	–	11.0

	Before the Proposed Arrangement (Note 1) R'm	Mr. Kuttel's resignation (Note 2) R'm	Adjusted before the Proposed Arrangement (Note 3) R'm	Westbank executive remuneration (Note 4) R'm	Catch fee adjustment (Note 5) R'm	Incentive bonus (Note 6) R'm	Proposed Arrangement costs (Note 7) R'm	Pro forma after the Proposed Arrangement (Note 8) R'm
Profit after tax attributable to shareholders of Oceana Group Limited	468.4	19.6	488.0	1.1	(7.1)	(1.3)	(9.4)	471.3
Basic earnings	468.4	19.6	488	1.1	(7.1)	(1.3)	(9.4)	471.3
Reconciliation of earnings and headline earnings adjusted for:								
Profit on the disposal of immovable property	(10.3)	-	(10.3)	-	-	-	-	(10.3)
Insurance proceeds	(0.7)	-	(0.7)	-	-	-	-	(0.7)
Headline earnings adjustment – joint venture	(0.8)	-	(0.8)	-	-	-	-	(0.8)
Profit on change of interest in investment	(0.1)	-	(0.1)	-	-	-	-	(0.1)
Net loss on disposal of property, plant and equipment and intangible assets	0.9	-	0.9	-	-	-	-	0.9
Headline earnings for the year	457.4	19.6	477.0	1.1	(7.1)	(1.3)	(9.4)	460.3

	Before the Proposed Arrangement (Note 1)	Mr. Kuttel's resignation (Note 2)	Adjusted before the Proposed Arrangement (Note 3)	Westbank executive remuneration (Note 4)	Catch fee adjustment (Note 5)	Incentive bonus (Note 6)	Proposed Arrangement costs (Note 7)	Pro forma after the Proposed Arrangement (Note 8)	% change
EPS (cents)	401.3	16.8	418.1	0.9	(6.1)	(1.1)	(8.1)	403.7	(3.4)
Diluted EPS (cents)	366.5	15.3	381.8	0.9	(5.5)	(1.0)	(7.4)	368.8	(3.4)
HEPS (cents)	391.9	16.8	408.7	0.9	(6.1)	(1.1)	(8.1)	394.3	(3.5)
Diluted HEPS (cents)	357.9	15.3	373.2	0.9	(5.5)	(1.0)	(7.4)	360.2	(3.5)
NAV per share (cents)	3 138.8	(1.0)	3 137.8	–	–	–	(8.1)	3 129.7	(0.3)
TNAV per share (cents)	(659.7)	(1.0)	(660.7)	–	–	–	(8.1)	(668.8)	(1.2)
Number of shares in issue (millions)	116.8	–	116.8	–	–	–	–	116.8	–
Weighted average number of shares used in the calculation of basic EPS (millions)	116.7	–	116.7	–	–	–	–	116.7	–
Weighted average number of shares used in the calculation of diluted EPS (millions)	127.8	–	127.8	–	–	–	–	127.8	–

Notes

1. The "Before the Proposed Arrangement" financial information has been extracted from Oceana's financial statements for the period ended 30 September 2017, on which an auditor's report was issued on 16 November 2017 and, released on SENS on 16 November 2017. All US Dollar amounts have been converted to Rand at the average exchange rate for the period 1 October 2016 to 30 September 2017 of USD1: ZAR13.42 (Source: Oceana annual financial statements).

Mr. Kuttel's resignation

2. Adjustments relating to Mr. Kuttel's resignation have been made to the "Before the Proposed Arrangement" column as the *pro forma* financial effects of the resignation will impact the *pro forma* statement of comprehensive income regardless of whether the Proposed Arrangement is approved by shareholders or not.

2.1 As a result of Mr. Kuttel's resignation with immediate effect, he has forfeited all share options that had not vested at that date. For the purposes of the *pro forma* statement of comprehensive income, and in relation to Mr. Kuttel's options only, a reversal of the net IFRS 2 charge recognised in the 2017 financial year of ZAR2.2 million as well as the release of the equity reserve and liability relating to any unvested equity and cash-settled options of ZAR25.9 million, respectively, as at 1 October 2016, equivalent to a total of ZAR28.1 million has been recognised. Due to Mr. Kuttel's resignation with immediate effect the Oceana remuneration committee has approved a payment to Mr. Kuttel of ZAR876 000 *in lieu* of not having served his contractual three-month notice period. The net effect of the IFRS 2 release together with the additional payment is ZAR27.2 million. Note that of the unvested options at 1 October 2016, Mr. Kuttel had in fact exercised options equivalent to ZAR19.4 million during the 2017 financial year and at the time of his resignation on 13 February 2018, he forfeited ZAR7.1 million in unvested options, which forfeiture will be recognised in the 2018 financial year. As none of the equity settled option schemes were in the money at 30 September 2017, no options were included in the number of shares figure used to calculate diluted earnings per share and diluted headline earnings per share. Therefore, no adjustment to the relevant weighted average number of shares figure is required

3. The "Adjusted before the Proposed Arrangement" financial information is equal to the "Before the Proposed Arrangement" information adjusted for the *pro forma* effects of Mr. Kuttel's resignation from Oceana.

Westbank executive remuneration

4. Executive remuneration adjustments relate to the fact that Westbank will save the remuneration of one executive director as a result of the Proposed Arrangement.
 - 4.1 Saving of ZAR1.7 million for one Westbank executive director after taking into account Oceana's 25% interest in Westbank. Westbank is equity accounted by Oceana.

Catch fee adjustment

5. Upfront increase of 2.46% on the 2017 catch fee payable to Westbank.
 - 5.1 An increase in Daybrook's cost of sales of ZAR14.5 million as a result of the increase in the cost of fish purchased from Westbank.
 - 5.2 A ZAR3.6 million increase in Oceana's 25% share of Westbank's net profit as a result of the increase in revenue from fish sold to Daybrook.

Incentive bonus

6. Incentive bonus adjustments reflect the proposed incentive mechanism based on catch volumes and yields relative to targets. The incentive bonus is payable by Daybrook to Makimry in respect of a full contract year (1 January to 31 December) and is accrued at the end of the financial year if the volume target has been met at that date. Based on the catch volume as at 30 September, an incentive bonus would have been payable at year-end even though the fishing season had not ended.
 - 6.1 An incentive bonus of ZAR2.0 million accrued for the 2017 financial year based on the actual catch and yield relative to specified targets.

Proposed Arrangement costs

7. Proposed Arrangement costs include costs payable by Daybrook as well as Oceana's 25% share of costs incurred by Westbank. These costs exclude any debt commitment and arrangement fees payable by Westbank which are estimated to be ZAR2.6 million. The fees related to the debt facility do not have a *pro forma* effect as there is an equal and offsetting interest income and expense as a result of loan asset made to Makimry Patronus LLC which will be accounted for in the same manner as the loan liability owing to the bank i.e. using the effective interest rate method. Therefore the financing structure has a nil net effect on the associate and joint venture income line item.
 - 7.1 Proposed Arrangement costs expensed by Westbank of ZAR0.3 million representing Oceana's 25% share thereof. Proposed Arrangement costs are paid for out of Westbank's existing cash resources.
 - 7.2 Proposed Arrangement costs expensed by Daybrook of ZAR14.1 million, including an estimated ZAR240 000 premium for the key man insurance policy that Daybrook is obliged to take out. Proposed Arrangement costs are paid for out of existing cash resources.
8. The "*Pro forma* after the Proposed Arrangement" financial information assumes the Proposed Arrangement to be effective 1 October 2016.
9. All adjustments are assumed to be taxable or tax deductible, as applicable. The tax effects are calculated applying legislated South African corporate tax rate of 28% and the federal tax rate of 35% in the United States of America, as applicable.
10. Adjustments in the 'Mr. Kuttel's resignation' column as well as the 'Proposed Arrangement costs' column, aside from the key man insurance premium, are considered non-recurring. All other adjustments are expected to have an ongoing effect.

Makimry Put Option

In terms of the Operating Agreement, exercise of the Makimry Put Option by Mr. Kuttel can occur, at the earliest, during the second financial period following the Proposed Arrangement assuming Daybrook has not exercised the Warrant under its own control, as the exercise will only be effective 12 months after the date of notification from Mr. Kuttel.

Post the effective date of the Proposed Arrangement and before any exercise of the Makimry Put Option, a derivative liability would only be recognised in the annual financial statements, through profit or loss, to the extent there is an estimated shortfall between the highest possible Put Option Purchase Price, applicable for that period as described in paragraph 4.1.2, and the estimated fair market value of the Westbank interest. The possibility of a shortfall arising is considered remote as the exercise of the Warrant is under Daybrook's control and exercisable at its discretion which it is unlikely to do in the event there is a material shortfall to the Put Option Purchase Price. Similarly, the amount of USD31.5 million, which is the minimum Put Option Purchase Price in the event the Makimry Put Option is triggered by death or disability in the first 3 years, is the current purchase price being paid by Makimry and is supported by detailed valuation undertaken by both the Company and Makimry independently of each other, and thus it is not anticipated that fair market value would deviate materially from the USD31.5 million in the near term.

In the event the Makimry Put Option, is triggered by Mr. Kuttel's death or disability in years 1 to 3, the Put Option Purchase Price would be the higher of USD31.5 million and fair market value which could result in a potential shortfall should fair market value be lower than the USD 31.5 million at exercise date. Based on current knowledge of the business there is no reason to assume that fair market value will be less than USD31.5 million and management therefore do not expect a liability to arise. In addition, Daybrook is obliged to take out key man insurance with Daybrook as the named beneficiary, and in the event of Mr. Kuttel's death or disability, will apply the proceeds thereof to cover any shortfall to the Put Option Purchase Price. These proceeds will result in a profit equal to the loss arising from the shortfall thus neutralising any impact on profit or loss. In the event that the Makimry Put Option is exercised for any reason other than death or disability, no derivative liability is expected to arise, as the Put Option Purchase Price would be fair market value.

In the event the Makimry Put Option is exercised and a new US citizen acquirer not identified at the closing date, there would be a temporary cash outflow being the Put Option Purchase Price until a new US citizen acquires the Westbank interest. This is, however, considered to be a remote possibility due to the adverse business implications of not complying with the AFA requirement that qualifying fishing vessels in the US be owned and controlled by US citizens. The possibility of there being a material shortfall between the Put Option Purchase Price and price paid by a new US citizen in this event is also considered remote for the reasons explained above.

Subsequent events

Subsequent to 30 September 2017, the Put Option derivative liability of ZAR164.2 million on Oceana's statement of financial position at 30 September 2017, relating to the Put Premium (USD15.0 million), has been settled to Westbank Partners in January 2018 following their notice to exercise the Put Option in November 2016 (refer to note 37 in Oceana's 2017 annual financial statements). A fair value adjustment to the final Put Option liability has been recognised through profit and loss for the 2018 financial year. This is not considered to have a *pro forma* financial effect as this payment formed part of an existing agreement already approved by shareholders and is not as a result of the Proposed Arrangement. In terms of an addendum to the existing Operating Agreement entered into on 15 February 2018, the put closing date was extended to 15 April 2018 on which date the put option strike price (USD 31.5 million) will be due for payment. In terms of the addendum, the unpaid distributions of USD7.9 million, owing under the existing agreements, were paid on 15 February 2018. There are no other subsequent events which require adjustment to the *pro forma* financial effects.

<i>Pro forma</i> Statement of Financial Position	Before the Proposed Arrangement	Mr. Kuttel's resignation	Adjusted before the Proposed Arrangement	Westbank executive remuneration	Catch fee adjustment	Incentive bonus	Proposed Arrangement costs	<i>Pro forma</i> after the Proposed Arrangement
	(Note 1) R'm	(Note 2) R'm	(Note 3) R'm	(Note 4) R'm	(Note 5) R'm	(Note 6) R'm	(Note 7) R'm	(Note 8) R'm
ASSETS								
Non-current assets	6 493.6	-	6 493.6	-	-	-	(0.3)	6 493.3
Property, plant and equipment	1 604.1	-	1 604.1	-	-	-	-	1 604.1
Intangible assets	4 434.9	-	4 434.9	-	-	-	-	4 434.9
Derivative assets	1.8	-	1.8	-	-	-	-	1.8
Deferred taxation	27.6	-	27.6	-	-	-	-	27.6
Investments and loans	115.4	-	115.4	-	-	-	-	115.4
Interest in subsidiaries, associate and joint ventures	309.8	-	309.8	-	-	-	(0.3)	309.5
							(Note 7.1)	
Current assets	3 549.6	(0.9)	3 548.7	-	-	-	(9.1)	3 539.6
Inventories	1 201.1	-	1 201.1	-	-	-	-	1 201.1
Accounts receivable	1 071.4	-	1 071.4	-	-	-	-	1 071.4
Taxation	55.1	-	55.1	-	-	-	5.1	60.2
							(Note 7.2)	
Cash and cash equivalents	1 222.0	(0.9)	1 221.1	-	-	-	(14.2)	1 206.9
		(Note 2.1)					(Note 7.3)	
Total assets	10 043.2	(0.9)	10 042.3	-	-	-	(9.4)	10 032.9

<i>Pro forma</i> Statement of Financial Position	Before the Proposed Arrangement (Note 1) R'm	Mr. Kuttel's resignation (Note 2) R'm	Adjusted before the Proposed Arrangement (Note 3) R'm	Westbank executive remuneration (Note 4) R'm	Catch fee adjustment (Note 5) R'm	Incentive bonus (Note 6) R'm	Proposed Arrangement costs (Note 7) R'm	<i>Pro forma</i> after the Proposed Arrangement (Note 8) R'm
EQUITY AND LIABILITIES								
Capital and reserves	3 756.6	(1.2)	3 755.4	–	–	–	(9.4)	3 746.0
Stated capital	1 184.2	–	1 184.2	–	–	–	–	1 184.2
Foreign currency translation reserve	265.9	–	265.9	–	–	–	–	265.9
Capital redemption reserve	–	–	–	–	–	–	–	–
Cash flow hedging reserve	(12.1)	–	(12.1)	–	–	–	–	(12.1)
Share-based payment reserve	92.6	(6.8)	85.8	–	–	–	–	85.8
		(Note 2.2)						
Distributable reserve	2 134.1	5.6	2 139.7	–	–	–	(9.4)	2 130.3
		(Note 2.3)					(Note 7.4)	
Non-controlling interest	91.9	–	91.9	–	–	–	–	91.9
Non-current liabilities	3 924.3	(1.9)	3 922.4	–	–	–	–	3 922.4
Liability for share-based payments	17.0	(1.9)	15.1	–	–	–	–	15.1
		(Note 2.4)						
Long-term loan	3 209.9	–	3 209.9	–	–	–	–	3 209.9
Derivative liabilities	6.3	–	6.3	–	–	–	–	6.3
Deferred taxation	691.1	–	691.1	–	–	–	–	691.1
Current liabilities	2 362.3	2.2	2 364.5	–	–	–	–	2 364.5
Accounts payable	1 178.7	–	1 178.7	–	–	–	–	1 178.7
Current portion – long-term loan	954.0	–	954.0	–	–	–	–	954.0
Current portion – derivative liabilities	164.2	–	164.2	–	–	–	–	164.2
Provisions	43.2	–	43.2	–	–	–	–	43.2
Taxation	22.2	2.2	24.4	–	–	–	–	24.4
		(Note 2.5)						
Total equity and liabilities	10 043.2	(0.9)	10 042.3	–	–	–	(9.4)	10 032.9

Notes

1. The "Before the Proposed Arrangement" financial information has been extracted from Oceana's financial statements for the period ended 30 September 2017, on which an auditor's report was issued on 16 November 2017, released on SENS on 16 November 2017. All US Dollar amounts have been converted to Rand at the closing exchange rate as at 30 September 2017 of USD1: ZAR13.58 (Source: Oceana annual financial statements).

Mr. Kuttel's resignation

2. Adjustments relating to Mr. Kuttel's resignation have been made to the 'Before the Proposed Arrangement' column as the *pro forma* financial effects of the resignation will impact the *pro forma* statement of financial position regardless of whether the Proposed Arrangement is approved by shareholders or not. The adjustment relating to the net reversal of costs as a result of Mr. Kuttel's resignation with immediate effect has been recognised as follows (note that amounts relating to the release of equity reserves and liabilities differ from the statement of comprehensive income due to the different transaction date assumed for the statement of financial position):
 - 2.1 Due to Mr. Kuttel's resignation with immediate effect the Oceana remuneration committee has approved a payment to Mr. Kuttel of ZAR876 000 *in lieu* of not having served his contractual 3-month notice period. The payment will be made out of existing cash resources.
 - 2.2 As a result of Mr. Kuttel's resignation with immediate effect, he has forfeited all share options that had not vested at that date. For the purposes of the *pro forma* statement of financial position, a reversal of the equity reserve recognised in relation to any unvested equity-settled options as at 30 September 2017 equivalent to ZAR6.8 million has been recognised. The amount has been released to distributable reserves. Note that at Mr. Kuttel's actual date of resignation on 13 February 2018, he forfeited equity-settled options of ZAR7.1 million, which forfeiture will be recognised in the 2018 financial year.
 - 2.3 Release of ZAR6.8 million from share-based payment reserve and ZAR1.9 million from liability for share-based payments less the ZAR876 000 payment made as well as related tax adjustment as per note 2.5.
 - 2.4 Reversal of the liability recognised in relation to any unvested cash-settled options as at 30 September 2017 equivalent to ZAR1.9 million has been recognised. This amount has been released to distributable reserves. Note that at Mr. Kuttel's actual date of resignation on 13 February 2018, he forfeited cash-settled options of ZAR1.0 million, which forfeiture will be recognised in the 2018 financial year.
 - 2.5 Estimated tax effect of the net reversal of costs related to Mr. Kuttel's immediate resignation calculated applying the South African legislated corporate tax rate of 28%.
3. The "Adjusted before the Proposed Arrangement" financial information is equal to the "Before the Proposed Arrangement" information adjusted for the *pro forma* effects of Mr. Kuttel's resignation from Oceana.

Westbank executive remuneration

4. The Westbank executive remuneration saving does not have any *pro forma* financial effects as a result of the assumed transaction date of 30 September 2017 for the purposes of the statement of financial position.

Catch fee adjustment

5. The upfront catch fee adjustment does not have any *pro forma* financial effects as a result of the assumed transaction date of 30 September 2017 for the purposes of the statement of financial position.

Incentive bonus

6. The incentive bonus does not have any *pro forma* financial effects as a result of the assumed transaction date of 30 September 2017 for the purposes of the statement of financial position.

Proposed Arrangement costs

7. Proposed Arrangement costs include costs payable by Daybrook as well as Oceana's 25% share of costs incurred by Westbank. These amounts differ to the statement of comprehensive income as a result of the different exchange rate used for the statement of financial position. These costs exclude any debt commitment and arrangement fees payable by Westbank which are estimated to be ZAR2.6 million. The fees related to the debt facility do not have a *pro forma* effect as there is an equal and offsetting loan asset made to Makimry Patronus LLC which will be accounted for in the same manner as the loan liability owing to the bank i.e. using the effective interest rate method. Therefore the financing structure has a nil net effect on net asset value of Westbank and consequently a nil effect on Oceana's investment in associate.
 - 7.1 ZAR0.3 million being Oceana's 25% share of the Proposed Arrangement costs expensed by Westbank and payable by Westbank at closing of the Proposed Arrangement. The Proposed Arrangement costs reduce Westbank's net asset value and therefore reduce Oceana's investment in Westbank.
 - 7.2 The Proposed Arrangement costs expensed by Daybrook as well as Oceana's 25% share of the Proposed Arrangement costs expensed by Westbank are assumed to be tax deductible for Daybrook. The tax receivable is calculated applying the United States of America legislated federal tax rate of 35% and is assumed to accrue when the Proposed Arrangement costs are paid. Note that Westbank's members pay tax on Westbank's earnings as it is an LLC.
 - 7.3 Proposed Arrangement costs of ZAR14.2 million including an estimated ZAR240 000 premium for the key man insurance policy that Daybrook is obliged to take out will be paid by Daybrook out of existing cash resources on closing of the Proposed Arrangement.
 - 7.4 The after-tax effect of Proposed Arrangement costs expensed by Daybrook as well as Daybrook's 25% share of Proposed Arrangement costs expensed by Westbank.
8. The "*Pro forma* after the Proposed Arrangement" financial information assumes the Proposed Arrangement to be effective 30 September 2017.
9. Adjustments in the Mr. Kuttel's resignation' column and "Proposed Arrangement costs" column aside from the key man insurance premium, are considered non-recurring.

Makimry Put Option

In terms of the Operating Agreement, exercise of the Makimry Put Option by Mr. Kuttel can occur, at the earliest, during the second financial period following the Proposed Arrangement assuming Daybrook has not exercised the Warrant under its own control, as the exercise will only be effective 12 months after the date of notification from Mr. Kuttel.

Post the effective date of the Proposed Arrangement and before any exercise of the Makimry Put Option, a derivative liability would only be recognised in the annual financial statements, through profit or loss, to the extent there is an estimated shortfall between the highest possible Put Option Purchase Price, applicable for that period as described in paragraph 4.1.2, and the estimated fair market value of the Westbank Interest. The possibility of a shortfall arising is considered remote as the exercise of the Warrant is under Daybrook's control and exercisable at its discretion which it is unlikely to do in the event there is a material shortfall to the Put Option Purchase Price. Similarly, the amount of USD31.5 million, which is the minimum Put Option Purchase Price in the event the Makimry Put Option is triggered by death or disability in the first 3 years, is the current purchase price being paid by Makimry and is supported by detailed valuation undertaken by both the Company and Makimry independently of each other, and thus it is not anticipated that fair market value would deviate materially from the USD31.5 million in the near term.

In the event the Makimry Put Option, is triggered by Mr. Kuttel's death or disability in years one to three, the Put Option Purchase Price would be the higher of USD 31.5 million and fair market value which could result in a potential shortfall should fair market value be lower than the USD 31.5 million at exercise date. Based on current knowledge of the business there is no reason to assume that fair market value will be less than USD31.5 million and management therefore do not expect a liability to arise. In addition, Daybrook is obliged to take out key man insurance with Daybrook as the named beneficiary, and in the event of Mr. Kuttel's death or disability, will apply the proceeds thereof to cover any shortfall to the Put Option Purchase Price. These proceeds will result in a profit equal to the loss arising from the shortfall thus neutralising any impact on profit or loss. In the event that the Makimry Put Option is exercised for any reason other than death or disability, no derivative liability is expected to arise, as the Put Option Purchase Price would be fair market value.

In the event the Makimry Put Option is exercised and a new US citizen acquirer not identified at the closing date, there would be a temporary cash outflow being the Put Option Purchase Price until a new US citizen acquires the Westbank Interest. This is, however, considered to be a remote possibility due to the adverse business implications of not complying with the AFA requirement that qualifying fishing vessels in the US be owned and controlled by US citizens. The possibility of there being a material shortfall between the Put Option Purchase Price and price paid by a new US citizen in this event is also considered remote for the reasons explained above.

Subsequent events

Subsequent to 30 September 2017, the Put Option derivative liability of ZAR164.2 million on Oceana's statement of financial position at 30 September 2017, in relation to the Put Premium (USD15.0 million), has been settled to Westbank Partners in January 2018 following their notice to exercise the Put Option in November 2016 (refer to note 37 in Oceana's 2017 annual financial statements). A fair value adjustment to the final put option liability has been recognised through profit and loss for the 2018 financial year. This is not considered to have a *pro forma* financial effect as this payment formed part of an existing agreement already approved by shareholders and is not as a result of the Proposed Arrangement. In terms of an addendum to the existing Operating Agreement entered into on 15 February 2018, the put closing date was extended to 15 April 2018 on which date the put option strike price (USD 31.5 million) will be due for payment. In terms of the addendum, the unpaid distributions of USD7.9 million, owing under the existing agreements, were paid on 15 February 2018. There are no other subsequent events which require adjustment to the *pro forma* financial effects.

INDEPENDENT REPORTING ACCOUNTANT'S REASONABLE ASSURANCE REPORT ON COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION

The Directors
Oceana Group Limited
9th Floor Oceana House
25 Jan Smuts Street
Foreshore, Cape Town
8001

Dear Sirs/Madam

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN A CIRCULAR

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Oceana Group Limited by the directors. The *pro forma* financial information, as set out in paragraph 6 and Annexure 1 of the circular ("the circular"), to be dated on or about 16 March 2018, consists of statement of financial position and statement of comprehensive income and related notes. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the corporate action or event, described in paragraph 4 of the circular, on the company's financial position as at 30 September 2017, and the company's financial performance for the period then ended, as if the corporate action or event had taken place at 1 October 2016, being the commencement date of the financial period for the purposes of the statement of comprehensive income and at 30 September 2017, being the last day of the financial period for the purposes of the statement of financial position. As part of this process, information about the company's financial position and financial performance has been extracted by the directors from the company's financial statements for the period ended 30 September 2017, on which an auditor's report was issued on 16 November 2017.

Directors' Responsibility for the Pro forma Financial Information

The directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 6 and **Annexure 1** of the circular.

Quality control

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independence and other ethical requirements

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code), which is consistent with Parts A and B of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of

Pro forma Financial Information Included in a Prospectus. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

As the purpose of *pro forma* financial information included in a prospectus is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2017 would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 6 and **Annexure 1** of the circular.

Deloitte & Touche

Registered Auditor

Per **C Ringwood**

Partner

15 March 2018

1st Floor, The Square
Cape Quarter
27 Somerset Road
Green Point
Cape Town
8005

National Executive: *LL Bam Chief Executive Officer *TMM Jordan Deputy Chief Executive Officer; Clients & Industries *MJ Jarvis Chief Operating Officer *AF Mackie Audit & Assurance *N Sing Risk Advisory *NB Kader Africa Tax & Legal TP Pillay Consulting S Gwala BPS *JK Mazzocco Talent & Transformation MG Dicks Risk Independence & Legal *TJ Brown Chairman of the Board

Regional leader: MN Alberts

A full list of partners and directors is available on request

*Partner and Registered Auditor

B-BBEE rating: Level 1 contribution in terms of the DTI Generic Scorecard as per the amended Codes of Good Practice

Associate of Deloitte Africa, a member of Deloitte Touche Tohmatsu Limited

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Details of the directors and the Company Secretary of Oceana are set out below:

Information on directors

Imraan Soomra (43)

**BCompt (Hons) (Wits), CA(SA), PLD Harvard Business School
Interim Chief Executive Officer and Group Financial Director**

Imraan is an experienced chartered accountant who has worked in a diverse set of industries during the course of this career. He held the position of financial director of Netcare Limited's Hospital Division from 2010 to 2013 and was previously with MultiChoice South Africa Holdings from 2003 until 2010, as head of channels at SuperSport International as well as financial director of M-Net and SuperSport.

Non-executive directors' profiles

Mustaq Ahmed Brey (63)

CA(SA)

Non-executive Chairman

Mustaq qualified as a chartered accountant in 1978 and started his own practice, KMMT Brey, which became one of the largest black auditing practices in the country. He chairs the board of Life Healthcare Group Holdings Limited and is a founder member and Chief Executive Officer of Brimstone Investment Corporation Limited.

Saamsodein Pather (67)

BBusSc, BCom (Hons), MBA (Cape Town)

Lead independent director

Since graduating from the University of Cape Town in 1973, Saamsodein has been actively involved in investment management, which has included senior executive functions at Colonial Mutual Assurance Company, Southern Life and Real Africa Holdings. He is currently a director of Coronation Fund Managers and Lungisa Investment Holdings.

Zarina Bibi Mahomed Bassa (53)

BAcc and Dip Acc (UDW), CA(SA)

Independent non-executive director

Zarina sits on several boards including Vodacom South Africa, Investec Group Limited, the Financial Services Board, Woolworths Holdings Limited and Yeboyetu Ltd. Zarina was executive director responsible for private banking at Absa and was a partner at Ernst & Young prior to that. Zarina was named Top Woman in Business at the Top Women in Business and Government awards in 2007 and Top Business Personality in Financial Services: Banking in 2008.

Peter Gerard de Beyer (62)

BBusSc (Cape Town), FASSA

Independent non-executive director

Peter joined Old Mutual in 1978, was appointed deputy managing director of Old Mutual Life Assurance Company (South Africa) in 2000, and retired in November 2008. He sits on a number of boards, including Real People Investment Holdings and certain Old Mutual group subsidiary companies. Peter is a Fellow of the Actuarial Society of South Africa.

Nomahlubi Victoria Simamane (58)**BSc (Hons) (UBS – Botswana)****Independent non-executive director**

Nomahlubi, the CEO of Zanusi Brand Solutions, graduated as a biochemist and worked for Unilever for 12 years and for British American Tobacco as marketing director for five years. In 1999, she was appointed managing director of BLGK Bates. Nomahlubi sits on several boards including JSE-listed Cashbuild and Foschini Group. She was the 2009 winner of the Top Businesswoman of the Year Award in the National Business Awards run by Topco Media and named the Businesswoman of the Year at the 2009 Black Business Awards run by BBQ.

Noel Patrick Doyle (52)**FCS, CA(SA)****Non-executive director**

Noel qualified as an accountant in Ireland in 1988 before joining PriceWaterhouse in Johannesburg in 1989 where he worked for six years serving clients predominantly in the hotel and financial services sector. In 1995, he joined Southern Sun in a financial role and when he left Southern Sun in 1998 to join Tiger Brands, he was corporate financial services director.

He was appointed to the Tiger Brands board in 2006 and in addition to his role as Chief Financial Officer he was responsible for IT, investor relations as well as Tiger Brand's fishing interests. Noel left Tiger Brands in 2008. After serving as chief executive officer of diversified Motor Group Bluespec Holdings for a year, Noel joined Nando's as chief executive officer of the Southern African business in 2009. He rejoined Tiger Brands in July 2012 as business executive responsible for the grains portfolio and rejoined the board in July 2015 and is currently the Chief Financial Officer of Tiger Brands.

Lawrence Charles Mac Dougall (60)**Non-executive director**

Lawrence is the Chief Executive Officer of Tiger Brands. Prior to joining Tiger Brands, Lawrence served as the President of Eastern Europe, Middle East & Africa at Mondelez International, from November 2012 to March 2016 after his role as the Executive Vice President. Lawrence has held numerous leadership positions in the FMCG Industry across general management, strategy execution in Africa and other developing markets.

Geoffrey George Fortuin (50)**BCom (Acc) Cum Laude, BCom (Acc) (Hons) (UWC), CA(SA)****Non-executive director**

Geoffrey is a chartered accountant and was a partner at Deloitte & Touche for 15 years, during which time he was responsible for the audit of a number of South African listed companies. He was also a member of the Deloitte South Africa Board. Geoffrey is currently the financial director of Brimstone Investment Corporation Limited and serves on the board of Quantum Foods Holdings Limited.

Information in respect of Group Company Secretary**Jillian Marais (45)****BA (LLB) and admitted attorney****Company Secretary**

Jillian joined Oceana in 2011 as Group Company Secretary. Prior to this, she held various legal advisory positions as well as the position of company secretary for Chevron South Africa Proprietary Limited. She is responsible for all aspects of corporate governance as well as being the principal officer of the Oceana Executive Provident Fund and a trustee of the Oceana Empowerment Trust.

Directors' service agreements

Executive directors have indefinite contracts of employment in place where three months' notice can be provided by either party and should the directors be eligible for re-election via rotation, their continued directorship is dependent on re-election at the annual general meeting of the Company.

Normal retirement of executive directors is at age 63.

The non-executive directors do not have fixed-term employment contracts.

Non-executive directors receive a fee for their contribution to the Board and its committees of which they are members. The Chairman is paid a director's fee in addition to any committee fees. Furthermore, the Company pays for travelling and other expenses incurred by non-executive directors in carrying out the business of the Company and attending Board and committee meetings. The notice period for the non-executive directors is one month (other than the Chairman who has a two-month notice period).

Directors' remuneration

The directors' remuneration for the 12 months ended 30 September 2017 is set out below:

<i>Executive directors</i>	Salary R'000	Allowances R'000	Retirement fund contributions R'000	Gain on exercise of cash-settled/ equity-settled share options² R'000	Total emoluments R'000
FP Kuttel ¹	5 592	153	274	19 444	25 463
I Soomra	3 817	116	273	4 050	8 256
Total	9 409	269	547	23 494	33 719

Notes:

1. Resigned 13 February 2018.
2. Includes dividends received from Oceana Empowerment Trust.

<i>Non-executive directors</i>	Board fees R'000	Committee fees R'000	Total R'000
ZBM Bassa	246	258	504
MA Brey	634	72	706
PG de Beyer	246	250	496
NP Doyle ¹	246	127	373
PB Matlare ³	93	27	120
L Mac Dougall ¹	246	116	362
S Pather	299	354	653
GG Fortuin ²	246	185	431
NV Simamane	246	210	456
Total	2 502	2 599	4 101

Notes:

1. Paid to Tiger Brands Limited.
2. Paid to Brimstone Investment Corporation Limited.
3. PB Matlare resigned from the Board of Directors effective 16 February 2017.

Movements in share options of directors during the year ended 30 September 2017

Oceana Shares purchased and options granted to directors are set out in the tables below. The movement in share options of the directors, including directors who resigned during the last 18 months (including their associates) for the year ended 30 September 2017 are set out below:

FP Kuttel⁵

Scheme	Options as at 30 September 2016			Options awarded during the year			Options forfeited during the year			Options exercised during the year			Options as at 30 September 2017			
	Number	Price		Number	Price		Number	Price		Number	Price		Number	Price	Fair value ¹ (R'000)	Expiry date
Phantom share options	39 666	R34.42	-	-	-	-	-	-	-	39 666	R117.12	-	-	-	-	-
	71 334	R41.44	-	-	-	-	-	-	-	71 334	R116.93	-	-	-	-	-
	129 000	R63.46	-	-	-	-	-	-	-	86 000	R116.97	43 000	853	14/02/2019		
	240 000	-	-	-	-	-	-	-	-	197 000	-	43 000	853	-		
Share appreciation rights	56 400	R77.61	-	-	-	18 800 ³	R77.61	-	18 800	R116.85	18 800	107	12/02/2021			
	45 300	R103.31	-	-	-	15 100 ³	R103.31	-	-	-	30 200	-	-	11/02/2022		
	48 200	R111.10	-	-	-	-	-	-	-	-	48 200	-	-	17/02/2023		
	-	-	-	51 400	R116.81	-	-	-	-	-	51 400	-	-	15/02/2024		
	149 900	-	-	51 400	-	33 900	-	-	18 800	-	148 600	107	-			
Restricted shares	1 959	-	-	-	-	-	-	-	-	1 959	R110.38	-	-	-	-	-
	5 360	-	-	-	-	-	-	-	-	-	-	5 360	446	11/02/2018		
	24 500	-	-	-	-	-	-	-	-	-	-	24 500	2 041	11/11/2018		
	-	-	-	6 415	-	-	-	-	-	-	-	6 415	534	15/11/2019		
	31 819	-	-	6 415	-	-	-	-	1 959	-	36 275	3 021	-			
Performance shares	20 308	-	-	-	-	-	-	-	-	47 318 ²	R110.38	-	-	-	-	-
	16 391	-	-	-	-	-	-	-	-	-	-	16 391 ⁴	-	-	11/02/2018	
	16 900	-	-	-	-	-	-	-	-	-	-	16 900	1 408	17/02/2019		
	-	-	-	18 000	-	-	-	-	-	-	-	18 000	1 499	15/02/2020		
	53 599	-	-	18 000	-	-	-	-	47 318	-	51 291	2 907	-			
Restricted shares elective deferral	50 866	-	-	-	-	-	-	-	-	-	-	50 866	4 237	11/11/2018		
	50 866	-	-	-	-	-	-	-	-	-	-	50 866	4 237	-		
Total	526 184	-	-	75 815	-	33 900	-	-	265 077	-	330 032	11 125	-			

Notes:

1. Fair value calculated using the closing VWAP at 29 September 2017 of R83.29.
2. Settled using a TSR multiplier of 233%.
3. Forfeited due to 2017 HEPS performance target not being achieved.
4. As at 30 September 2017 TSR position was below the lower quartile.
5. Resigned 13 February 2018.

Scheme	Options as at 30 September 2016		Options awarded during the year		Options forfeited during the year		Options exercised during the year		Options as at 30 September 2017		Fair value ¹ (R'000)	Expiry date	
	Number	Price	Number	Price	Number	Price	Number	Price	Vested	Unvested			
Phantom share options	180 000	R81.21	-	-	-	-	60 000	R117.10	60 000	60 000	250	01/07/20019	
	180 000	-	-	-	-	-	60 000	-	60 000	60 000	250		
Share appreciation rights	22 300	R77.61	-	-	7 433 ³	R77.61	-	-	7 433	7 434	84	12/02/2021	
	17 900	R103.31	-	-	5 966 ³	R103.31	-	-	-	11 934	-	11/02/2022	
	21 700	R111.10	-	-	-	-	-	-	-	21 700	-	17/02/2023	
	-	-	23 300	R116.81	-	-	-	-	-	23 300	-	15/02/2024	
	61 900	-	23 300	-	13 399	-	-	-	7 433	64 368	84	-	
Restricted shares	1 752	-	-	-	-	-	1 752	R110.38	-	-	-	-	
	3 299	-	-	-	-	-	-	-	-	3 299	275	11/02/2018	
	15 400	-	-	-	-	-	-	-	-	15 400	1 283	11/11/2018	
	-	-	4 837	-	-	-	-	-	-	4 837	403	15/11/2019	
	20 451	-	4 837	-	-	-	1 752	-	-	23 536	1 961	-	
Performance shares	6 391	-	-	-	-	-	14 892 ²	R110.38	-	-	-	-	
	5 051	-	-	-	-	-	-	-	-	5 051	-	11/02/2018	
	6 000	-	-	-	-	-	-	-	-	6 000	500	17/02/2019	
	-	-	6 400	-	-	-	-	-	-	6 400	533	15/02/2020	
	17 442	-	6 400	-	-	-	14 892	-	-	17 451	1 033	-	
Total	279 793	-	34 537	-	13 399	-	76 644	-	-	67 433	165 355	3 328	-

Notes:

1. Fair value calculated using the closing VWAP at 29 September 2017 of R83.29.
2. Settled using a TSR multiplier of 233%.
3. Forfeited due to 2017 HEPS performance target not being achieved.
4. As at 30 September 2017 TSR position was below the lower quartile.

MATERIAL CONTRACTS OF OCEANA

Details of material contracts entered into by Oceana and its subsidiaries during the two years preceding the date of this Circular, other than in the ordinary course of business, are set out below:

Material contracts of Oceana

Contract	Parties to Contract	Nature of Contract	Date of signature of contract
Banking Facilities	(1) Investec Bank Limited (2) Oceana (3) Blue Continent Products Proprietary Limited (4) Lucky Star Limited (5) Commercial Cold Storage Proprietary Limited (6) Erongo Marine Enterprises Proprietary Limited (7) Amawandle Pelagic Proprietary Limited (8) Amawandle Hake Proprietary Limited	ZAR300 million, 4-year term facility for the Group	23 March 2017
Banking facilities	(1) Investec Bank Ltd (2) Oceana (3) Blue Continent Products Proprietary Limited (4) Lucky Star Limited (5) Commercial Cold Storage Proprietary Limited (6) Erongo Marine Enterprises Proprietary Limited (7) Amawandle Pelagic Proprietary Limited (8) Amawandle Hake Proprietary Limited	ZAR200 million general banking facility for the Group	28 November 2017

None of the agreements detailed in this Annexure contain any restrictive funding conditions.



NOTICE OF GENERAL MEETING

All terms defined in the Circular to which this Notice of General Meeting is attached ("Circular") shall bear the same meanings herein.

Notice is hereby given that a general meeting of Oceana Shareholders will be held at 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 on Friday, 13 April 2018 at 14:00 for the purpose of considering and, if deemed fit, passing with or without modification, the ordinary resolutions set out below in the manner required by the Companies Act and the Listings Requirements. Registration will start at 13:15.

Oceana Shareholders are reminded that:

- an Oceana Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend, participate and vote at the General Meeting in the place of the Oceana Shareholder and the Oceana Shareholders are referred to the attached form of proxy in this regard;
- a proxy need not be an Oceana Shareholder;
- an Oceana Shareholder may appoint up to two proxies to exercise voting rights attached to different Oceana Shares held by the Oceana Shareholder which entitle the Oceana Shareholder to vote at the General Meeting;
- the proxy may delegate the authority granted to it as proxy, subject to any restriction in the proxy itself; and
- related parties and their associates are prohibited from voting.

Record date

The directors have determined that the record date on which an Oceana Shareholder must be registered in the Register in order to:

- receive notice of the General Meeting is Friday, 9 March 2018; and
- participate in and vote at the General Meeting is Friday, 6 April 2018.

Therefore, the Last Day to Trade in order to be able to participate at the General Meeting is Tuesday, 3 April 2018.

Identification

In terms of Section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of the person to participate in and vote at the General Meeting, either as an Oceana Shareholder, or as a proxy for an Oceana Shareholder, has been reasonably verified.

Ordinary resolution number 1 – Approval of Agreement with Related Party

"Resolved that the terms of the Agreement as set out in the Circular to Oceana Shareholders dated Friday, 16 March 2018 of which this Notice of General Meeting forms part, be and is hereby approved by the Oceana Shareholders."

The reason for this Ordinary resolution number 1 is to approve and authorise the assignment of Daybrook Fisheries' obligation to acquire the Westbank Interest subject to the amendment of the Fish Supply Agreement and entering into an Operating Agreement with Makimry, including a warrant issued to Daybrook Fisheries by Westbank, it being noted that Makimry is an associate of Mr. Francois Kuttel who is deemed a related party in terms of the Listings Requirements.

The effect of Ordinary resolution number 1 is to approve and authorise the Agreement which includes the entering into of the Operating Agreement between Daybrook Fisheries, Westbank and Makimry, and the amendments to the Fish Supply Agreement.

The percentage of voting rights required for the adoption of this ordinary resolution number 1 is 50% plus one vote, of the voting rights exercised on this ordinary resolution, other than the related parties (being Mr. Kuttel and his associates).

Ordinary resolution number 2 – General authorisation

“Resolved that any director of the Company or the company secretary be and is hereby authorised to take all actions necessary and sign all documents required to give effect to the abovementioned resolutions.”

The reason for this Ordinary resolution number 2 is to authorise any director or the company secretary of the Company to take all actions necessary and sign all documents required to give effect to all of the resolutions set out in this Notice of General Meeting.

The effect of Ordinary resolution number 2 is to authorise any director or the company secretary of the Company to take all actions necessary and sign all documents required to give effect to all of the resolutions set out in this Notice of General Meeting.

The percentage of voting rights required for the adoption of this Ordinary resolution number 2 is 50% plus one vote, of the voting rights exercised on this ordinary resolution, other than the related parties (being Mr. Kuttel and his associates).

In terms of section 48(2)(b)(ii) of the Companies Act, the holders of Treasury Shares shall not be entitled to exercise voting rights on the aforementioned resolutions. Furthermore, in terms of the Listings Requirements, Shares held under the Company's share schemes in force as at the date of the General Meeting will not have their votes at the General Meeting taken into account for the purposes of Ordinary resolution number 1, which is proposed in terms of the Listings Requirements.

Quorum

A quorum for the purposes of considering the shareholder resolutions above shall consist of three shareholders of the Company personally present (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the General Meeting. In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by Oceana Shareholders in respect of each matter to be decided at the General Meeting. Mr. Kuttel and his associates will be taken into account in determining this quorum, but their votes will not be taken into account in determining the results of the voting on the shareholder resolutions.

Voting requirements and proxies

Voting at the General Meeting will be conducted by way of poll, where every Oceana Shareholder, present in person or by proxy, shall have one vote for every Share held or represented.

Any Oceana Shareholder who holds Certificated Shares in the Company or who holds Dematerialised Shares through a CSDP or Broker and who has selected “own-name” registration, may attend, participate in and vote at the General Meeting or at any adjournment thereof or may appoint any other person or persons (none of whom need be an Oceana Shareholder) as a proxy or proxies, to attend, participate in and vote or abstain from voting at the General Meeting or at any adjournment thereof, in such Shareholder's stead.

A proxy form is enclosed for use by such Oceana Ordinary Shareholders. Such proxy form, duly completed, must be forwarded to reach the transfer secretaries of the company, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or be posted to them at PO Box 61051, Marshalltown, 2107, or emailed to them at proxy@computershare.co.za, to be received preferably by no later than 14:00 on Wednesday, 11 April 2018.

Oceana Shareholders holding Dematerialised Shares, but not with own-name registration, must furnish their CSDP or Broker with their instructions for voting at the General Meeting. If your CSDP or Broker, as the case may be, does not obtain instructions from you, it will be obliged to act in terms of your mandate furnished to it, or if the mandate is silent in this regard, complete the relevant form of proxy attached.

Unless you advise your CSDP or Broker, in terms of the agreement between you and your CSDP or Broker by the cut off time stipulated in the agreement, that you wish to attend the General Meeting or send a proxy to represent you at the General Meeting, your CSDP or Broker will assume that you do not wish to attend the General Meeting or send a proxy.

If you wish to attend the General Meeting or send a proxy, and you are not an "own-name" Dematerialised Shareholder or Certificated Shareholder, you must request your CSDP or Broker to issue the necessary Letter of Representation to you.

The completion of a form of proxy does not preclude any Oceana Shareholder registered by the Voting Record Date from attending the General Meeting.

Oceana Shareholders and proxies attending the General Meeting on behalf of Oceana Shareholders are reminded that satisfactory identification must be presented in order for such shareholder or proxy to be allowed to attend or participate in the General Meeting.

Electronic participation

Shareholders may participate (but not vote) electronically in the General Meeting, in accordance with the provisions of the Companies Act. Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Company at 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 (marked for the attention of Jillian Marais, company secretary) or by email to companysecretary@oceana.co.za by no later than 09:00 on Monday, 9 April 2018 that they wish to participate via electronic communication at the General Meeting ("Electronic Notice"). Teleconference facilities will be made available for this purpose, and may be accessed at the shareholder's cost. In order for the Electronic Notice to be valid it must contain:

- a) if the Shareholder is an individual, a certified copy of his identity document and/or passport;
- b) if the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and
- c) valid email address, telephone number and/or facsimile number ("the contact address/ number").

The Company shall use its reasonable endeavours on or before 09:00 on Wednesday, 11 April 2018, to notify each Shareholder who has delivered a valid Electronic Notice, at its contact address/number, of the relevant details through which the Shareholder can participate via electronic communication.

Such shareholders, should they wish to have their vote counted at the General Meeting, must, to the extent applicable,

- (i) complete and submit the form of proxy; or
- (ii) contact their CSDP or broker, in both instances, as set out above.

By order of the Board

Jillian Marais
Company Secretary

Cape Town
16 March 2018



OCEANA GROUP
OCEANA GROUP LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1939/001730/06)
JSE share code: OCE
NSX share code: OCG
ISIN: ZAE000025284
("Oceana" or "the Company")

FORM OF PROXY

For use only by:

- holders of certificated ordinary shares in the Company; and
- holders of dematerialised ordinary shares in the Company held through a Central Securities Depository Participant (CSDP) or Broker (or their nominees) and who have selected "own-name" registration.

at the general meeting of Oceana shareholders to be held at 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 at 14:00 on Friday, 13 April 2018 and at any adjournment thereof ("General Meeting").

If you are an Oceana Shareholder referred to above, and are entitled to attend and vote at the General Meeting, you can appoint a proxy or proxies to attend, vote and speak in your stead at the General Meeting. A proxy need not be a shareholder of the Company. If you are an Oceana Ordinary Shareholder and have dematerialised your ordinary shares through a CSDP (and have not selected "own-name" registration in the sub-register maintained by a CSDP), do not complete this form of proxy but instruct your CSDP to issue you with the necessary authority to attend the General Meeting, or if you do not wish to attend, provide your CSDP with your voting instructions in terms of your custody agreement entered into with it. Generally, a shareholder will not be an own-name dematerialised Oceana Shareholder unless the Oceana Shareholder has specifically requested the CSDP to record the Oceana Shareholder as the holder of the shares in the Oceana Shareholder's own name in the Company's subregister.

I/We _____ (full names in block letters)

of (Address) _____

Telephone number _____ Cellphone number _____

being a holder/s of ordinary shares in the Company (delete whichever is inapplicable), hereby appoint

1. _____ of _____ failing him/her
2. _____ of _____ failing him/her
3. the Chairman of the company, or failing him the chairman of the General Meeting, as my/our proxy to attend, speak and on a poll to vote or abstain from voting on my/our behalf, as indicated below, at the General Meeting and/or at any adjournment thereof

	Resolution	For	Against	Abstain
1	Ordinary Resolution number 1 – approval of the Proposed Arrangement			
2	Ordinary Resolution number 2 – general authorising resolution			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares which you desire to vote (see note 2).

This proxy shall be valid only for the General Meeting of shareholders of the Company to be held on Friday, 13 April 2018 and any adjournment thereof.

Signed at _____ this _____ day of _____ 2018

Signature _____

Assisted by me (if applicable) _____

(Authority of the signatory to be attached if applicable – see note 6)

Please read the notes on the reverse side hereof.

Notes:

An Oceana Shareholder is entitled to appoint one or more proxies (none of whom need be a Shareholder of Oceana) to attend, speak and vote or abstain from voting in the place of that Shareholder at the General Meeting.

1. An Oceana Shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the Oceana Shareholder's choice in the space provided, with or without deleting the words "the Chairman of the company, or failing him the Chairman of the general meeting". The person whose name appears first on the proxy form and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. An Oceana Shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate box or if an Oceana Shareholder wishes the proxy to cast votes in respect of a lesser number of shares than the Oceana Shareholder owns, the requisite number of shares should be inserted in the appropriate box. Failure to comply with the above will be deemed to authorise and instruct the Chairman of the company or failing him the Chairman of the General Meeting, if he is the authorised proxy, to vote in favour of the resolutions concerned at the General Meeting, or any other proxy to vote or abstain from voting at the General Meeting as he deems fit, in respect of the Oceana Shareholder's total holding.
3. The completion and lodging of this form of proxy will not preclude an Oceana Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Oceana Shareholder wish to do so.
4. In case of joint holders, the vote of the most senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, for which purpose seniority will be determined by the order in which the names appear on the company's register of shareholders in respect of the joint holding.
5. The Chairman of the General Meeting may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with these notes.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer secretaries or waived by the Chairman of the General Meeting.
7. Any alteration or correction to this form of proxy must be initialled by the signatory/ies but will only be validly made if such alteration or correction is accepted by the Chairman of the General Meeting.
8. Forms of proxy must be lodged with or posted to the company, c/o Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), to be received preferably by no later than 14:00 on Wednesday, 11 April 2018.
9. If the General Meeting is adjourned or postponed, forms of proxy submitted for the General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting unless the contrary is stated on such form of proxy.
10. The appointment of a proxy or proxies:
 - a. is suspended at any time and to the extent that an Oceana Shareholder chooses to act directly and in person in the exercise of any rights as an Oceana Shareholder;
 - b. is revocable, in which case an Oceana Shareholder may revoke the proxy appointment by:
 - i. cancelling it in writing or making a later inconsistent appointment of a proxy; and
 - ii. delivering a copy of the revocation instrument to the proxy and to the company's transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107);
 - c. if the instrument appointing a proxy or proxies has been delivered to the company's transfer secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act, 2008, as amended or the Company's Memorandum of Incorporation to be delivered by the Company to the Oceana Shareholder must be delivered by the Company to:
 - i. the Oceana Shareholder; or
 - ii. the proxy or proxies, if the Oceana Shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so.

Summary of the rights of an Oceana Shareholder to be represented by proxy

For purposes of this summary, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

Shareholders' rights regarding proxies in terms of section 58 of the Companies Act include, *inter alia*, to at any time appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.

A proxy appointment:

- must be in writing, dated and signed by the shareholder; and
- remains valid for:
 - one year after the date on which it was signed; or
 - any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c); or expires earlier as contemplated in section 58(8)(d) of the Companies Act.

Except to the extent that the memorandum of incorporation of the company provides otherwise:

- a shareholder of that company may appoint 2 (two) or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to the different securities held by the shareholder;
- a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
- a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.

Irrespective of the form of instrument used to appoint a proxy:

- the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
- the appointment is revocable unless the proxy appointment expressly states otherwise; and
- if the appointment is revocable, a shareholder may revoke the proxy appointment by: cancelling it in writing, or making a later inconsistent appointment of a proxy; and
- delivering a copy of the revocation instrument to the proxy and to the company.

The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date:

- stated in the revocation instrument, if any; or
- upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.

Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder must be delivered by such company to:

- the shareholder, or
- the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.

A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation of the relevant company or the instrument appointing the proxy provide otherwise.

If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:

- such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
- the invitation or form of proxy must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, contain adequate space to enable a shareholder to write in the name, and if so desired an alternative name, of a proxy chosen by the shareholder and provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or abstain from voting;
- the company must not require that the proxy appointment be made irrevocable; and
- the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.