FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION ("FORM OF INSTRUCTION")

EXCHANGE CONTROL REGULATIONS ENDORSEMENT (see paragraph 3.13)

This document is important and requires your immediate attention if you hold your Certificated Shares

If you are in doubt as to how to deal with this Form of Instruction, you should consult your CSDP, Broker, attorney, accountant, banker or other professional advisor without delay.

This Form of Instruction should be read in its entirety, together with the Circular to Shareholders dated on or about 16 March 2015. The definitions and abbreviations commencing on page 6 of the accompanying Circular apply, *mutatis mutandis*, throughout this Form of Instruction, unless the context otherwise requires.

The Rights that are represented by the Letters of Allocation in respect whereof this Form of Instruction was issued are valuable and may be traded on the JSE. Discovery has issued all Letters of Allocation in Dematerialised form, as Letters of Allocation can only be traded in Dematerialised form. The electronic record of Qualifying Certificated Shareholders is being maintained by the Transfer Secretaries. This has made it possible for Qualifying Certificated Shareholders to enjoy similar rights and opportunities as Qualifying Dematerialised Shareholders in respect of trading Letters of Allocation on the JSE.

Should you wish to exercise all or some of your Rights or sell or renounce all or some of your Rights, you must complete this Form of Instruction and return it to the Transfer Secretaries at either of the addresses set out below.

Each alteration to this Form of Instruction must be signed in full and not merely initialled.

Discovery Limited

(Incorporated in the Republic of South Africa)
(Registration number 1999/007789/06)
Share code: DSY ISIN: ZAE000022331
("**Discovery**" or "the **Company**")

FORM OF INSTRUCTION – issued to Qualifying Certificated Shareholders only

relating to an underwritten renounceable Rights Issue to Qualifying Shareholders in respect of a maximum of 55 555 556 Rights Issue Shares in the ratio of 9.38641 Rights Issue Shares for every 100 Shares held at the close of trade on Friday, 20 March 2015, at a price of R90.00 per Rights Issue Share.

SALIENT DATES AND TIMES

	2015
Last day to trade in Shares in order to participate in the Rights Issue (*cum* entitlement)	Friday, 13 March
Shares commence trading *ex*-entitlement at 09:00 on	Monday, 16 March
Listing of and trading in the Letters of Allocation on the JSE commences at 09:00 on	Monday, 16 March
Circular and a Form of Instruction, where applicable, posted to Qualifying Certificated Shareholders on	Tuesday, 17 March
Record Date at 17:00 on	Friday, 20 March
Rights Issue opens at 09:00 on	Monday, 23 March
In respect of Qualifying Certificated Shareholders, Letters of Allocation credited to an electronic account held with the Transfer Secretaries at 09:00 on	Monday, 23 March
In respect of Qualifying Dematerialised Shareholders, CSDP or Broker accounts credited with Letters of Allocation at 09:00 on	Monday, 23 March
Circular, where applicable, posted to Qualifying Dematerialised Shareholders on	Tuesday, 24 March
Last day to trade Letters of Allocation on the JSE	Thursday, 26 March
In respect of Qualifying Certificated Shareholders wishing to sell all or some of their Letters of Allocation, Forms of Instruction to be lodged with the Transfer Secretaries by 12:00 on	Thursday, 26 March
Listing of Rights Issue Shares and trading therein on the JSE commences at 09:00 on	Friday, 27 March
In respect of Qualifying Certificated Shareholders (or their renouncees) wishing to exercise all or some of their Rights, payment to be made and Forms of Instruction to be lodged with the Transfer Secretaries by 12:00 on	Thursday, 2 April
Rights Issue closes at 12:00 on	Thursday, 2 April
Record date for the Letters of Allocation on	Thursday, 2 April
Rights Issue Shares issued on	Tuesday, 7 April
In respect of Qualifying Dematerialised Shareholders (or their renouncees), CSDP or Broker accounts debited with the aggregate Rights Issue Price and updated with Rights Issue Shares at 09:00 on	Tuesday, 7 April
In respect of Qualifying Certificated Shareholders (or their renouncees), Share certificates in respect of Rights Issue Shares posted on or about	Tuesday, 7 April
Results of the Rights Issue announced on SENS on	Tuesday, 7 April
Results of the Rights Issue published in the press on	Wednesday, 8 April
In respect of successful excess applications (if applicable), Rights Issue Shares issued to Qualifying Dematerialised Shareholders and/or Share certificates posted to Qualifying Certificated Shareholders on or about	Thursday, 9 April
In respect of unsuccessful excess applications (if applicable), refund payments made to Certificated Shareholders on or about	Thursday, 9 April

Notes:

1. Share certificates in respect of Shares may not be Dematerialised or rematerialised between Monday, 16 March 2015 and Friday, 20 March 2015, both days inclusive.
2. If you are a Qualifying Dematerialised Shareholder you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Issue in the manner and time stipulated in the agreement governing the relationship between yourself and your CSDP or Broker.
3. CSDPs effect payment on a delivery versus payment method in respect of Qualifying Dematerialised Shareholders.
4. All times are South African times.
5. Share certificates will be posted at the risk of the Qualifying Certificated Shareholders (or their renouncees).

Dear Shareholder

1. **THE RIGHTS ISSUE**

1.1 Shareholders recorded in the Register of the Company at the close of trade on Friday, 20 March 2015, are offered, on the terms and conditions stated in the Circular dated 16 March 2015 (which shall, if in conflict with the information set out below, take precedence) Rights to subscribe for Rights Issue Shares at a subscription price of R90.00 per Rights Issue Share in the ratio of 9.38641 Rights Issue Shares for every 100 Shares held on the Record Date.

1.2 The Rights Issue and this Form of Instruction does not constitute an "offer to the public" as envisaged in Chapter 4 of the Companies Act.

2. **ALLOCATION (REFER TO THE FORM ATTACHED)**

2.1 The Rights Issue Shares stated in **Block (3**) have been provisionally allocated for issue at a subscription price of R90.00 per Rights Issue Share to the Shareholder whose name is stated in **Block (1)**.

3. **ACCEPTANCE AND PAYMENT**

3.1 If you wish to accept the Rights Issue you must complete **Blocks (5)** and **(6)** above.

3.2 If you are the person(s) in whose name(s) this Form of Instruction was issued and wish to subscribe for all the Rights Issue Shares allocated to you, complete the applicable blocks as stated above. **Form B** and **Form C** of this Form of Instruction need not be completed.

3.3 If you are the person(s) in whose favour this Form of Instruction has been renounced and you wish to subscribe for the Rights Issue Shares, complete the applicable blocks as stated above as well as **Form C** of this Form of Instruction.

3.4 Payment of the Rand value of the subscription price may be made by:

- cheque (crossed "not transferable" and with the words"or bearer" deleted) payable to "**Discovery Limited – Rights Issue**";
- banker's draft (drawn on a registered bank) payable to **"Discovery Limited – Rights Issue**"; or
- EFT into the Designated Bank Account (kindly contact our Call Centre – Corporate Actions on 0861 100 634 to obtain banking details and reference number for the deposits. Election forms and proof of EFT payment may be faxed to +27 11 688 5210 or e-mailed to corporate.events@computershare.co.za. Kindly note that this is for subscription of the Rights only and is not for selling of the Rights.)

3.5 If you wish to subscribe for Rights Issue Shares, a properly completed Form of Instruction, together with a cheque, banker's draft or EFT Reference Document (in accordance with 3.4 above) must be lodged with the Transfer Secretaries, so as to be received by no later than 12:00 on Thursday, 2 April 2015.

3.6 Such payment, when the cheque or banker's draft has been received and/or the EFT cleared into the Designated Bank Account, will constitute acceptance of the Rights Issue upon the terms and conditions set out in the accompanying Circular and in this Form of Instruction.

3.7 No acknowledgement of receipt will be given for a cheque, banker's draft or EFT received in accordance with the Rights Issue.

3.8 If this Form of Instruction and the cheque, banker's draft or EFT Reference Document are not received as set out above, then the Rights Issue will be deemed to have been declined and the right to subscribe for the Rights Issue Shares offered to the addressee or renounced in favour of his/her Renouncee will lapse, no matter who then holds it.

4. **RENUNCIATION OF RIGHTS**

4.1 If you are a Qualifying Certificated Shareholder and you do not wish to subscribe for the Rights Issue Shares allocated to you in terms of the Rights Issue, you may renounce your rights by signing **Form B**, and the Renouncee who wishes to subscribe for the Rights Issue Shares in terms of the Rights Issue must complete **Form C**, lodge this Form of Instruction, and make payment, in terms of paragraph 3.4 above, for the number of Rights Issue Shares in respect of which the Rights Issue is accepted.

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

- to deal with this Form of Instruction; or
- to have the Rights Issue Shares in question allotted and to receive a certificate for those shares.

4.3 Therefore, Discovery will not be obliged to investigate whether **Forms B** and **C** have been properly signed or completed or to investigate any fact surrounding the signing or lodging of either form.

5. **SALE**

5.1 If you wish to sell all or some of your Rights, you must complete **Form A** of this Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than Thursday, 26 March 2015.

5.2 The Transfer Secretaries will endeavour to procure the sale of rights on the JSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, neither the Transfer Secretaries, nor any broker appointed by it nor Discovery will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such Rights.

6. **EXCESS APPLICATIONS**

6.1 If you wish to accept the Rights Issue you must complete **Blocks (7)** and **(8)** above.

6.2 Excess Rights Issue Shares will be allocated in an equitable manner.

7. **EXCHANGE CONTROL REGULATIONS**

7.1 Pursuant to the Exchange Control Regulations of South Africa and upon specific approval of the South African Reserve Bank, non-residents, excluding former residents of the Common Monetary Area will be allowed to:

- take up the Rights Issue Shares, including excess applications;
- purchase Letters of Allocation on the JSE; and
- subscribe for the Rights Issue Shares arising in respect of the Letters of Allocation purchased on the JSE, provided payment is received either through normal banking channels from abroad or from a non-resident account.

7.2 All applications by non-residents for the above purposes must be made through an authorised dealer in foreign exchange. Electronic statements issued in terms of Strate and any share certificates issued pursuant to such applications will be endorsed "non-resident".

7.3 Where a Right in terms of the Rights Issue becomes due to a former resident of the Common Monetary Area ("Emigrant"), which right is based on shares blocked in terms of the Exchange Control Regulations of South Africa, then only Blocked Rands may be used to:

- take up the Rights Issue Shares, including excess applications;
- purchase Letters of Allocation on the JSE; and
- subscribe for the Rights Issue Shares arising in respect of the Letters of Allocation purchased on the JSE.

7.4 All applications by Emigrants using Blocked Rands for the above purposes must be made through the authorised dealer in South Africa controlling their blocked assets. Electronic statements issued in terms of Strate and Share certificates issued to such Emigrants, will be endorsed "non-resident" and placed under the control of the authorised dealer through whom the payment was made.

7.5 The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Rights Issue Shares will be credited to the Blocked Rand accounts of the Emigrant concerned.

7.6 Further information relating to Exchange Control Regulations is set in paragraphs 3.13 of the Circular.

8. **NON-RESIDENTS**

8.1 Any Shareholder resident outside the Common Monetary Area who receives the Circular and this Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of this Form of Instruction.

8.2 The Rights Issue does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and the Circular and this Form of Instruction should not be forwarded or transmitted by you to any person in any territory other than where it is lawful to make such an offer. The Rights Issue does not constitute an offer to, and the Circular is not being distributed to or directed at, any person in the United Kingdom who is not (i) a "qualified investor" and (ii) a "relevant person" (each as defined or described in Section 3.14 of the Circular).

8.3 The Rights Issue contained in the Circular does not constitute an offer in the Excluded Territories. Restricted Shareholders should consult their professional advisers to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Issue, or trade the Rights to which they are entitled. Shareholders holding Shares on behalf of persons who are Restricted Shareholders are responsible for ensuring that taking up the Rights Issue, or trading in their entitlements under that offer, do not breach regulations in the relevant overseas jurisdictions.

8.4 To the extent that Restricted Shareholders are not entitled to participate in the Rights Issue or trade the Rights to which they are entitled as a result of the aforementioned restrictions, the allocated Rights in respect of such Restricted Shareholders shall revert to the Company and will lapse.

8.5 Specific restrictions relating to certain jurisdictions are set in paragraph 3.14 of the Circular.

9. **JSE LISTINGS**

9.1 The JSE has granted a listing for the:

- Letters of Allocation in respect of 55 555 556 Rights Issue Shares with effect from the commencement of trading on Monday, 16 March 2015 to the close of trade on Thursday, 26 March 2015, both days inclusive; and
- 55 555 556 Rights Issue Shares with effect from the commencement of trading on Friday, 27 March 2015.

10. **DOCUMENTS OF TITLE**

10.1 Share certificates to be issued to Qualifying Certificated Shareholders (or their Renouncees) in respect of those Rights Issue Shares to which they have validly subscribed, will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about Tuesday, 2 April 2015.

10.2 Share certificates in respect of additional Rights Issue Shares allocated to Qualifying Certificated Shareholders (where applicable) will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about Thursday, 9 April 2015.

11. **REFUNDS**

11.1 Cheques refunding monies in respect of unsuccessful applications by Qualifying Certificated Shareholders for additional Rights Issue Shares will be posted to the relevant applicants, at their own risk, on/about Thursday, 9 April 2015.

By order of the Board

DISCOVERY LIMITED

Johannesburg
16 March 2015

GENERAL INSTRUCTIONS AND CONDITIONS

a) **Married persons:** Married persons wishing to exercise their rights must comply with the provisions of the Matrimonial Property Act (No. 88 of 1984), to the extent applicable, and proof of such person's capacity to exercise such rights may be required by the Transfer Secretary.

b) **Powers of attorney:** If this form is signed under a power of attorney, then the original, or certified copy thereof, must be sent to the transfer secretaries for noting unless it has already been noted by Discovery or the Transfer Secretary.

c) **Companies or close corporations:** A company or close corporation wishing to exercise its rights must send the original or certified copy of the directors' or members' resolution authorising the exercise of such rights to the Transfer Secretaries for noting.

d) **Stamp of broking member of the JSE:** If any signature to **Form B** is confirmed by the stamp of a broking member of the JSE then (a), (b) or (c) above, as the case may be, will not apply.

e) **Deceased estates and trusts:** Rights Issue Shares will not be allotted in the name of an estate or a trust. Therefore, where the right to the Rights Issue Shares has accrued to the estate of a deceased holder or a trust, the executor or administrator or trustee (as the case may be) must complete **Form B** in his/her representative capacity and **Form C** must be completed by the person in whose name the Rights Issue Shares are to be allotted without any reference to the estate or the trust.

f) **Joint holders:** Where applicable, all joint holders of Letters of Allocation must sign.

g) **Receipts and documents:** No receipts will be given for completed Letters of Allocation and remittances. Original documents accompanying applications will be returned by the Transfer Secretary in due course, at the risk of the applicant.

h) **Share certificates:** Discovery uses the "certified transfer deeds and other temporary documents of title" procedure approved by the JSE and, therefore, will issue only one "block" share certificate for the Rights Issue Shares allotted by it to each acceptor of the offer.

FORM A: INSTRUCTION TO SELL

Stamp of selling broker (if any) or stamp or name and address of lodging agent

This form is to be signed by the offeree if the rights to the Rights Issue Shares are to be sold.

To the Directors,

DISCOVERY LIMITED

I/We hereby instruct Computershare Investor Services Proprietary Limited to pay the proceeds, if any, of the sale of ______ (insert number) Rights allocated to me/us in terms of this Form of Instruction (less R137.39 (all inclusive) for trades equal to or less than R40 000 and R137.39 plus 0.25% of the value of trades for amounts greater than R40 000).

Payment instruction

TICK APPROPRIATE BOX

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

______

______

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

- An original certified copy of your identity document,
- An original certified copy of a document issued by the South African Revenue Services to verify your tax number, if you do not have one please submit this in writing and have the letter signed by a Commissioner of Oaths; and
- An original or an original certified copy of a service bill to verify your residential address.

☐ 2. By electronic fund transfer to the following bank account: **(certified copies of the bank statement and identification document must be attached to the Form of Instruction when payment via electronic funds transfer is requested and the same has not been submitted to the transfer secretaries to date)**.

Name of bank ______

Account number ______

Branch code ______

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

Signed ______

Signature(s) of offeree selling his/her rights   Assisted by me (where applicable) (all joint holders must sign)

Date ______ 2015

FORM B: FORM OF RENUNCIATION

Stamp of selling broker (if any) or stamp or name and address of lodging agent

(To be signed by the shareholder named in **Block (1)** on the first page of this form if the right to the Rights Issue Shares are renounced.)

To the directors, **Discovery Limited**

I/We hereby renounce my/our right to subscribe for ______ (insert number) of the Rights Issue shares allocated to me/us as stated in **Block (3)** on the second page of this form in favour of the person(s) completing the registration application form **(Form C)** in relation to such shares.

Signed ______

Signature(s) of person(s) renouncing   Assisted by me (where applicable) (all joint holders must sign)

Date ______

(Note: Renouncees must attach a certified true copy of their identification document to the Form of Instruction when Form B: Form of renunciation is completed.)

FORM C: REGISTRATION APPLICATION FORM (to be accompanied by a cheque or banker's draft)

Stamp of buying broker (if any) or stamp or name and address of lodging agent

This form to be completed in respect of the person(s) (ie the renouncee(s)) in whose name(s) the Rights Issue shares are to be allotted.

ONCE THIS FORM HAS BEEN COMPLETED THIS FORM OF INSTRUCTION WILL NO LONGER BE NEGOTIABLE.

To the directors,

Discovery Limited

I/We hereby request you to allot the Rights Issue Shares comprised in this Form of Instruction and as indicated in **Blocks (5), (6)** and **(7)** hereof in the following name(s) upon the conditions set out in the accompanying Circular, dated Monday, 16 March 2015 and subject to the Memorandum of Incorporation of Discovery.

I/We authorise you to place such name(s) on the register of Discovery shareholders in respect thereof.

Surname(s) or Name of company ______

Mr/Mrs/Miss/Ms ______

First names in full ______

Postal address (Preferably PO Box address) ______

______ Postal code ______

Telephone number (office hours) (   ) ______ Cellphone number ______

Facsimile number (   ) ______ Email address ______

Signed ______

Signature(s) of renounce(s)   Assisted by me (where applicable) (all joint holders must sign)

Date ______ 2015

FORM D: POSTAL INSTRUCTIONS (to be completed only if you require a share certificate)

Certificated Shareholders accepting all the rights allocated to them in terms of the Rights Issue will receive their Rights Issue Shares in certificated form, which will not be good for trading until they have been Dematerialised.

Certificated Shareholders should complete the section below.

Kindly post the relevant share certificate to the following address by registered post:

Name ______

Address ______

(If no specific instructions are given here, the Certificated Shares will be forwarded to the address as shown on the second page of this Form of Instruction.)

A Shareholder wishing to collect his/her/their new share certificate from the Transfer Secretary must tick this block: ☐

THIS FORM MUST BE COMPLETED IN ITS ENTIRETY AND RETURNED TO THE TRANSFER SECRETARIES:

By hand to:
Computershare Investor Services Proprietary Limited
Ground Floor
70 Marshall Street
Johannesburg 2001
South Africa

Postal deliveries to:
Computershare Investor Services Proprietary Limited
PO Box 61763
Marshalltown 2107
South Africa

Forms of Instruction which are not posted must be faxed to +27 11 688 5210 or emailed to corporate.events@computershare.co.za.

Computershare Investor Services Proprietary Limited will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of faxed or emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any other facsimile or email address other than those provided above. Forms of Instruction shall be deemed to be received on the date reflected in Computershare's electronic or facsimile systems. Notwithstanding anything to the contrary, it is the Shareholder's responsibility to ensure that their Form of Instruction is received by Computershare Investor Services Proprietary Limited.

Name and address of Shareholder	Account number
(1)	Enquiries in connection with this Letter of Allocation should be addressed to the Transfer Secretaries, quoting the account number below:

Number of Shares deemed to be registered in your name at the close of business on the Record Date	Number of Rights Issue Shares to which you are deemed to be entitled in terms of the Rights	Amount payable for the maximum number of Rights Issue Shares at R90.00 per Rights Issue Share
(2)	**(3)**	**R** **(4)** = (3) x R90.00

Acceptance of Rights	Number of additional Rights Issue Shares subscribed for	Amount due at R90.00 per additional Rights Issue Share
(the same or lesser number of Rights Issue Shares as the number in **Block (3)** of this form of instruction may be accepted)	**(5)**	**R** **(6)** = (5) x R90.00

Application for additional Rights Issue Shares	Number of additional Rights Issue Shares subscribed for	Amount due at R90.00 per additional Rights Issue Share
(to be completed by applicants wishing to apply for additional Rights Issue Shares)	**(7)**	**R** **(8)** = (7) x R90.00

Payment	EFT swift reference number (only applicable if payment is made by EFT)	Amount of cheque, banker's draft or EFT
(to be received by no later than 12:00 on Friday, 2 April 2015)		**R** **(9)** = (6) + (8)

Applicant's telephone number (office hours): ( )	Cellphone number: ( )
Facsimile number: ( )	Email address:
Signature:	Date:

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