THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 of this Circular apply throughout this Circular, including this front cover.

Action required

- This Circular is important and should be read in its entirety, with particular attention to the section entitled "Action required by Shareholders", which commences on page 2.
- If you are in any doubt as to what action you should take, please consult your Broker, banker, attorney, CSDP or other professional adviser immediately.
- If you have disposed of all your Sun International Shares, this Circular should be handed to the purchaser of such Sun International Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.

Sun International does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner of Sun International Shares to notify such beneficial owner of the details set out in this Circular.

Sun International

Sun International Limited
(Incorporated in the Republic of South Africa)
(Registration number 1967/007528/06)
Share code: SUI ISIN: ZAE000097580
("**Sun International**" or "**the Company**")

CIRCULAR TO SHAREHOLDERS

relating to:

- **The Restructure of the Original BEE Transaction;**
- **The sale of Treasury Shares for cash as part of the Restructure;**
- **The sale of Treasury Shares to, or the exchange of Treasury Shares with, Sun International Locked in BEE Shareholders;**
- **The Repurchase of Treasury Shares by Sun International from Sun International Investments**

and incorporating:

- **Notice of the General Meeting; and**
- **A form of proxy (*blue*) in respect of the General Meeting (for use by Certificated Shareholders and "own-name" Dematerialised Shareholders only).**

Investment bank and lead transaction sponsor

Out of the Ordinary®
Investec
Specialist Bank

Sponsor

RAND MERCHANT BANK
A division of FirstRand Bank Limited

Legal advisor

DLA CLIFFE DEKKER HOFMEYR

Reporting accountant

pwc

Date of issue: 3 March 2015

Copies of this Circular, in English only, may be obtained at the Company's registered office or at the offices of the Transfer Secretary, during normal business hours on Business Days from 3 March 2015 until 31 March 2015. The addresses of Sun International and the Transfer Secretary are set out in the "Corporate Information" section.

CORPORATE INFORMATION

Directors

Executive Directors
GE Stephens *(Chief executive)*
AM Leeming *(Chief financial officer)*

Non-executive Directors
PDS Bacon*
ZBM Bassa*
PL Campher*
E Cibie*
NN Gwagwa
BLM Makgabo-Fiskerstrand*
IN Matthews* *(Lead Independent Director)*
B Modise*
LM Mojela*
MV Moosa *(Chairman)*
GR Rosenthal*
**Independent*

Sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)
(Registration number 1929/001225/06)
1 Merchant Place, Corner Fredman Drive and Rivonia Road
Sandton
2196
(PO Box 786273, Sandton, 2146)

Legal advisor

Cliffe Dekker Hofmeyr Incorporated
(Registration number 2008/18923/21)
1 Protea Place
Sandton
2196
(Private Bag X40, Benmore, 2010)

Date of incorporation 11 July 1967

Place of incorporation South Africa

Company secretary and registered office

Sun International Limited
(Registration number 1967/007528/06)
Company secretary: CA Reddiar
6 Sandown Valley Crescent
Sandton
2196
(PO Box 784487, Sandton, 2146)

Investment bank and lead transaction sponsor

Investec Bank Limited
(Registration number 1969/004763/06)
2nd Floor
100 Grayston Drive
Sandton
2196
(PO Box 785700, Sandton, 2146)

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07),
70 Marshall Street
Johannesburg
2001
(PO Box 61051, Marshalltown, 2107)

Reporting accountant

PricewaterhouseCoopers Inc.
(Registration number 1998/012055/21)
2 Eglin Road
Sunninghill
2157
(Private Bag X36, Sunninghill, 2157)

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ACTION REQUIRED BY SHAREHOLDERS

Please take careful note of the following provisions regarding the action to be taken by Shareholders:

– If you are in any doubt as to what action you should take arising from this Circular, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser immediately.

– If you have disposed of all of your Sun International Shares, please forward this Circular to the purchaser of such shares or the CSDP, Broker, banker, attorney or other agent through whom the disposal was effected.

– The General Meeting convened in terms of the notice to Shareholders incorporated in this Circular will be held at The Maslow Hotel, 146 Rivonia Road, Sandton, 2196, Gauteng on 31 March 2015 at 10:00. A notice convening the General Meeting is attached to and forms part of this Circular.

If you have dematerialised your Sun International Shares and have elected:

1. **OWN-NAME REGISTRATION:**

1.1 You are entitled to attend in person, or be represented by proxy, at the General Meeting.

1.2 If you are unable to attend the General Meeting but wish to be represented thereat, you must complete and return the attached form of proxy (*blue*) in accordance with the instructions contained therein, to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, (Registration number 2004/003647/07), 70 Marshall Street, Johannesburg, 2001, PO Box 61051, Marshalltown, 2107 by no later than 10:00 on 27 March 2015.

2. **REGISTRATION OTHER THAN OWN-NAME REGISTRATION:**

2.1 If you wish to attend or be represented at the General Meeting, you must advise your CSDP or Broker timeously that you wish to attend or be represented at the General Meeting, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker. These instructions must be provided to your CSDP or Broker by the cut-off date and time advised by your CSDP or Broker for instructions of this nature. Your CSDP or Broker will be required to issue the necessary letter of representation to you to enable you to attend or to be represented at the General Meeting.

2.2 If you do not wish to attend or be represented at the General Meeting but wish to vote, and your CSDP or Broker has not contacted you, you are advised to contact your CSDP or Broker and provide them with your voting instructions, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker. These instructions must be provided to your CSDP or Broker by the cut-off date and time advised by your CSDP or Broker for instructions of this nature. If your CSDP or Broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

2.3 You must **not** complete the attached form of proxy (*blue*).

If you hold certificated Sun International Shares:

3. **CERTIFICATED SHAREHOLDERS:**

3.1 You are entitled to attend in person, or be represented by proxy, at the General Meeting.

3.2 If you are unable to attend the General Meeting but wish to be represented thereat, you must complete and return the attached form of proxy *(blue)* in accordance with the instructions contained therein, to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, (Registration number 2004/003647/07), 70 Marshall Street, Johannesburg, 2001, PO Box 61051, Marshalltown, 2107 by no later than 10:00 on 27 March 2015.

General:

1. **DEMATERIALISATION**

   If you wish to dematerialise your Sun International Shares, please contact your Broker.

2. **ELECTRONIC PARTICIPATION**

   Shareholders or their proxies may participate in (but not vote at) the General Meeting by way of a teleconference call. If you wish to do so, you must contact Sun International's company secretary, Chantel Reddiar, on +27 11 780 7762 or email chantel.reddiar@suninternational.com by no later than 27 March 2015 and identify yourself to the satisfaction of the company secretary to obtain the dialing code and pin number. Shareholders participating in this manner will still have to appoint a proxy to vote on their behalf at the General Meeting.

SALIENT DATES AND TIMES

Record date to receive the Circular and notice of General Meeting	20 February 2015
Circular and notice of General Meeting posted to Shareholders	3 March 2015
Last day to trade in order to be eligible to vote	13 March 2015
Record date to participate in and vote at the General Meeting	20 March 2015
Forms of proxy for the General Meeting to be lodged with Sun International or the Transfer Secretaries by no later than 10:00	27 March 2015
General Meeting held at The Maslow Hotel, 146 Rivonia Road, Sandton, 2196, Gauteng at 10:00	31 March 2015
Results of the General Meeting to be released on SENS	31 March 2015

Notes:

(a) All dates and times may be changed by Sun International and/or may be subject to the obtaining of certain regulatory approvals. Any change will be published on SENS.

(b) Shareholders should note that as transactions in Sun International Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade.

(c) All times given in this Circular are local times in South Africa.

(d) To be valid, the completed forms of proxy must be lodged with the Transfer Secretaries of the Company, Computershare Investor Services Proprietary Limited at 70 Marshall Street, Johannesburg, 2001, (PO Box 61051, Marshalltown, 2107), Republic of South Africa on or before 10:00 on 27 March 2015 at least 48 hours (excluding Saturdays and Sundays and public holidays in the Republic of South Africa) before the time appointed for the holding of the General Meeting. Any forms of proxy not received by this time must be handed to the chairperson of the General Meeting immediately prior to the General Meeting.

(e) If the General Meeting is adjourned or postponed, forms of proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.

DEFINITIONS AND INTERPRETATIONS

In this Circular and its annexures, unless otherwise stated or the context indicates otherwise, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include juristic persons and unincorporated associations of persons and *vice versa*, and any reference to one gender shall include the other gender.

"Adjusted HEPS"	adjusted headline earnings per share include adjustments made for certain items of income or expense. These adjustments include pre-opening expenses, earnings and results from discontinuing operations and material items considered to be outside of the normal operating activities of the Sun International Group and/or of a nonrecurring nature;
"Affected Dinokana Shareholder"	Balapeng, Lereko, Phodiso, NWCDT, Tsutsuma and SIEST, being holders of Dinokana Shares in terms of the Original BEE Transaction, and SIBEMT Beneficiaries when they become holders of Dinokana Shares;
"Associate"	an associate as defined in the Listings Requirements;
"Authorised Dealer"	an authorised dealer of the SARB, designated as such in the Exchange Control Regulations;
"Balapeng"	Balapeng Investment Holdings Proprietary Limited (registration number 1999/002815/07), a private company incorporated in South Africa;
"BEE"	black economic empowerment;
"Board" or "Directors"	the board of directors of Sun International, as set out on page IFC of this Circular;
"Broker"	any person registered as a broking member (equities) in terms of the rules of the JSE made 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;
"Buyback"	the specific repurchase of the required number of Dinokana ordinary shares by Dinokana as may be required in terms of the Restructure;
"Certificated Shareholders"	all registered holders of Certificated Shares;
"Certificated Shares"	Sun International Shares, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
"Circular"	this bound Circular document, dated 3 March 2015, including the annexures hereto, the notice of General Meeting and the form of proxy (*blue*) in respect of the General Meeting;
"Closing Date"	the closing date notified to the parties to the Restructure Agreement by Sun International, i) which notice may only be given after the Restructure Agreement becomes unconditional, ii) which date may not fall within 10 business days of the date upon which the notice is given, and iii) which date may not fall after 30 September 2015 unless otherwise agreed by Sun International and Dinokana, provided that, in the case of a SIBEMT Shareholder, the Closing Date will be a date which is 10 business days after the date upon which that SIBEMT Shareholder becomes a shareholder of Dinokana;
"Companies Act"	the Companies Act, No. 71 of 2008, as amended;
"Common Monetary Area"	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
"Conditions Precedent"	the conditions precedent to the Restructure described in paragraph 8 of this Circular;
"CSDP"	a Central Securities Depository Participant, being a "participant" as defined in section 1 of the Financial Markets Act;
"Dematerialised Shareholders"	all registered holders of Dematerialised Shares;

"Dematerialised Shares"	Sun International Shares that have been dematerialised through a CSDP or Broker and are recorded in an uncertificated securities register forming part of Sun International's securities register;
"Dinokana"	Dinokana Investments Proprietary Limited (registration number 2005/030003/07), a private company incorporated in South Africa;
"Dinokana Locked in Shareholders"	Dinokana Shareholders who elect to remain holders of Dinokana Shares as per Option 3 and as described in the Circular per paragraph 6.2.2.3;
"Dinokana Preference Shares"	the issued cumulative non-convertible redeemable preference shares in Dinokana held by Depfin Investments Proprietary Limited, registration number 1982/006127/07, a limited liability private company duly incorporated in the Republic of South Africa;
"Dinokana Shares"	issued ordinary shares in Dinokana;
"Dinokana Shareholders"	holders of Dinokana Shares;
"Documents of Title"	share certificates, certified transfer deeds, balance receipts or any other documents of title to Sun International Shares acceptable to Sun International;
"EFT"	electronic funds transfer;
"EPS"	earnings per share;
"Exchange Control Regulations"	the Exchange Control Regulations, 1961, as amended, issued under section 9 of the Currency and Exchanges Act 9 of 1933, as amended;
"Exiting Shareholders"	Affected Dinokana Shareholders who elect to exit the Original BEE Transaction either via Option 1 or Option 2 as described in the Circular in paragraphs 6.2.2.1 and 6.2.2.2 respectively;
"Existing Funding Guarantee"	the guarantee of R60 million by Sun International in favour of the holder of the Dinokana Preference Shares as disclosed in the Sun International circular to shareholders issued on 3 November 2010;
"Existing Shareholders Agreement"	the shareholders agreement concluded between Sun International, Dinokana, Balapeng, Lereko, Phodiso, NWCDT, Tsutsuma, SIEST and SIBEMT on 28 October 2005 to govern the relationship between the said parties;
"Expiry of the Lock in Period"	the expiry of the lock in period, which ended on 3 December 2014 in terms of the Existing Shareholders Agreement;
"Financial Markets Act"	the Financial Markets Act, No. 19 of 2012, as amended, which has replaced the Securities Services Act, 2004 (Act 36 of 2004);
"Form of Proxy"	the form of proxy *(blue)* for Certificated Shareholders and "own-name" Dematerialised Shareholders as attached to and forming part of this Circular;
"General Meeting"	the meeting of Shareholders to be held at The Maslow Hotel, 146 Rivonia Road, Sandton, 2196, Gauteng on 31 March 2015 at 10:00;
"Group"	in relation to a person that is a company, that person, its subsidiaries and that person's holding company and its subsidiaries from time to time;
"HEPS"	headline earnings per share;
"Holding Company"	has the meaning given to that term in the Companies Act;
"IFRS"	International Financial Reporting Standards;
"Investec"	Investec Bank Limited (registration number 1969/004763/06), a public company incorporated in South Africa, acting through its Corporate Finance division;
"Issued Shares"	the total number of Sun International ordinary shares in issue (being 114,129,455 including Treasury Shares) as at the Last Practicable Date;

"JSE"	JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated in South Africa and licensed as an exchange under the Financial Markets Act;
"Last Practicable Date"	26 February 2015 being the last practicable date prior to the finalisation of this Circular;
"Lereko"	Lereko Investments Proprietary Limited (registration number 2004/013452/07), a private company incorporated in South Africa;
"Listings Requirements"	the Listings Requirements of the JSE;
"MOI"	Memorandum of Incorporation;
"New Preference Shares"	the preference shares issued by Dinokana to be subscribed for by Sun International or a member of its Group in order to enable Dinokana to repurchase Dinokana Shares from Affected Dinokana Shareholders electing Option 1 or Option 2;
"New Preference Share Subscription Agreement"	the preference share agreement entered into between Sun International and Dinokana in terms of which Sun International will subscribe for the New Preference Shares to enable Dinokana to repurchase Dinokana Shares from Affected Dinokana Shareholders electing Option 1 or Option 2;
"New Dinokana Shares"	the subscription by Sun International for the required number of Dinokana ordinary shares in terms of the Subscription Agreement;
"Notice of the General Meeting"	the notice of the general meeting of Shareholders to be held at The Maslow Hotel, 146 Rivonia Road, Sandton, 2196, Gauteng on 31 March 2015 at 10:00 and as included as per page 33 of this Circular;
"NWCDT"	the North West Community Development Trust (Master's Reference number IT 12035/06), established under the laws of South Africa;
"Options"	the options available to Affected Dinokana Shareholders as part of the Restructure and described in paragraph 6.2.2;
"Option 1"	the Option provided to Affected Dinokana Shareholders as described in paragraph 6.2.2.1;
"Option 2"	the Option provided to Affected Dinokana Shareholders as described in paragraph 6.2.2.2;
"Option 3"	the Option provided to Affected Dinokana Shareholders as described in paragraph 6.2.2.3;
"Original BEE Transaction"	the original BEE transaction entered into by Sun International during 2005, as amended;
"Own-name Registration"	Dematerialised Shareholders who have instructed their CSDP to hold their Sun International Shares in their own name on the uncertificated securities registers of Sun International;
"Phodiso"	Phodiso Gaming Proprietary Limited (registration number 2003/004575/07), a private company incorporated in South Africa;
"R" or "Rand"	South African Rand, the official currency of South Africa;
"Register"	the securities register of Sun International maintained by the Transfer Secretaries in accordance with sections 50(1) and 50(3) of the Companies Act, including Sun International's uncertificated securities register;
"Repurchase shares"	up to 5.50 million Treasury Shares to be acquired from Sun International Investments in terms of the Specific Repurchase as contemplated in paragraph 11;
"Restructure"	the restructure of the Original BEE Transaction, as described in this Circular;
"Restructure Agreement"	the agreement concluded between Sun International, Dinokana, Balapeng, Lereko, Phodiso, NWCDT, Tsutsuma, SIEST and SIBEMT to effect the Restructure;
"SENS"	the Stock Exchange News Service, the news service operated by the JSE;
"Shareholders"	all Certificated Shareholders and Dematerialised Shareholders of Sun International;

"SIBEMT"	Sun International Black Executive Management Trust (Master's Reference number IT 12035/06), a trust established under the laws of South Africa for the benefit of Sun International black executive management;
"SIBEMT Beneficiaries"	beneficiaries of SIBEMT, who are permanent black executive managers of the Sun International Group as at 30 June 2006 and onwards, who have a Peromnes grade of seven and above and have a minimum of 125 JEM points and who are black people (meaning Africans, Coloureds and Indians who are South Africa citizens), and who hold rights to Dinokana Shares as part of their employment contracts with Sun International. There are no directors of Sun International who are SIBEMT Beneficiaries;
"SIBEMT Shareholder"	a SIBEMT beneficiary who becomes a Dinokana Shareholder upon vesting of their rights to Dinokana Shares and the SIBEMT Beneficiary calling on SIBEMT to issue Dinokana Shares to them;
"SIEST"	Sun International Employee Share Trust (Master's Reference IT number IT 3902/03), a trust established under the laws of South Africa for the benefit of Sun International employees;
"Solvency and Liquidity Test"	the solvency and liquidity test set out in section 4(1) of the Companies Act;
"South Africa"	the Republic of South Africa;
"Specific Issue"	the specific issue of Sun International Shares for cash by Sun International to Exiting Shareholders who have elected Option 2, as described in paragraph 7.1.5;
"Specific Repurchase"	the repurchase by Sun International of the Repurchase Shares, as set out in paragraph 11 of this Circular and paragraph 5.69 of the Listings Requirements and pursuant to the board resolution passed by the Sun International Board approving the Specific Repurchase;
"Strate"	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated in South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
"Subscription Agreement"	the subscription agreement entered into between Sun International and Dinokana in terms of which Sun International will subscribe for Dinokana Shares to enable Dinokana to redeem the Dinokana Preference Shares;
"Subsidiaries"	has the meaning given to that term in the Companies Act;
"Sun International"	Sun International Limited (registration number 1967/007528/06), a public company incorporated in South Africa and listed on the JSE;
"Sun International Group"	Sun International and its subsidiaries;
"Sun International Investments"	Sun International Investments No. 2 Proprietary Limited (registration number 2005/015050/06), a private company incorporated in South Africa;
"Sun International Locked in BEE Shareholders"	Exiting Shareholders who elect to acquire Sun International Shares per Option 2 as described in the Circular per paragraph 6.2.2.2;
"Sun International Shares"	issued ordinary shares in Sun International;
"Transfer Secretaries"	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company incorporated according to the company laws of South Africa;
"Treasury Shares"	the Sun International Shares held by subsidiaries of Sun International from time to time (being 10 149 477 Sun International Shares as at the Last Practicable Date);
"Tsutsuma"	Tsutsuma Investments Proprietary Limited (registration number 2001/014520/07), a private company incorporated in South Africa; and
"VWAP"	volume weighted average share price.

Sun International Limited
(Incorporated in the Republic of South Africa)
Registration number 1967/007528/06
Share code: SUI ISIN: ZAE000097580
("**Sun International**" or "**the Company**")

CIRCULAR TO SHAREHOLDERS

Directors of Sun International

Executive Directors
GE Stephens
AM Leeming

Non-executive Directors
PDS Bacon*
ZBM Bassa*
PL Campher*
E Cibie*
NN Gwagwa
BLM Makgabo-Fiskerstrand*
IN Matthews*
B Modise*
LM Mojela*
MV Moosa
GR Rosenthal*

**Independent*

KH Mazwai (resigned on 31 January 2015)

1. INTRODUCTION

1.1 In line with its commitment to transformation and to satisfy the requirements of the North West Gambling Board at that time, Sun International implemented the Original BEE Transaction in terms of which Dinokana was introduced as a direct Shareholder in Sun International. The shareholders of Dinokana comprise Lereko, NWCDT, Balapeng, Phodiso, Tsutsuma, SIEST, SIBEMT and Sun International. Dinokana currently holds approximately 6.5% of the Issued Shares (excluding Treasury Shares). Since inception of the Original BEE Transaction, Dinokana has supported the management of Sun International in realising Sun International's growth objectives.

1.2 Under the Original BEE Transaction and in terms of the Existing Shareholders Agreement, Dinokana Shareholders were conferred certain rights upon the Expiry of the Lock in Period that would allow for value to be realised in Dinokana.

2. RESTRUCTURE

2.1 Due to the Expiry of the Lock in Period, Sun International, with the support of Dinokana Shareholders, has proposed the Restructure which ensures that the objectives of both Dinokana Shareholders and Sun International are met. The Restructure remains subject to the Conditions Precedent as set out in paragraph 8 on page 13.

2.2 In terms of the Restructure, Sun International will sell a sufficient number of its Treasury Shares in the open market in order to fund the subscription for the New Dinokana Shares and the New Preference Shares, as detailed in paragraphs 7.1.1 and 7.1.3 respectively. Post subscription for the New Dinokana Shares, Sun International will have an approximate 69.01% shareholding in Dinokana (calculated based on values as at the Last Practicable Date). Dinokana will utilise the proceeds from the subscription for New Dinokana Shares (which may be advanced to Dinokana as loans prior to the subscription) to redeem the Dinokana Preference Shares, including settling any accrued preference share dividends.

2.3 Upon Dinokana becoming a subsidiary of Sun International, the Sun International Group will effectively hold Treasury Shares via Dinokana.

3. PURPOSE OF THIS CIRCULAR

The purpose of this Circular is to provide Shareholders with relevant information in respect of the Restructure. This information will enable Shareholders to make an informed decision as to whether or not they should vote in favour of the resolutions to be proposed at the General Meeting in order to give effect to the Restructure. These resolutions are set out in the Notice of the General Meeting included in this Circular.

4. RATIONALE FOR THE RESTRUCTURE

4.1 The Restructure is beneficial to both Sun International and Affected Dinokana Shareholders for the following reasons:

4.1.1 the Dinokana BEE structure will be extended for a further period of time through the Restructure and allows for some of the benefits to the BEE credentials of Sun International to be retained for at least a further three to five years;

4.1.2 it provides Sun International's black executive management (via SIBEMT) and its staff (via SIEST), with the opportunity to retain exposure to Sun International Shares thereby aligning their economic interests with the performance of Sun International;

4.1.3 provides the opportunity for Sun International Locked in BEE Shareholders to participate in the growth strategy and performance of Sun International through a direct shareholding in Sun International;

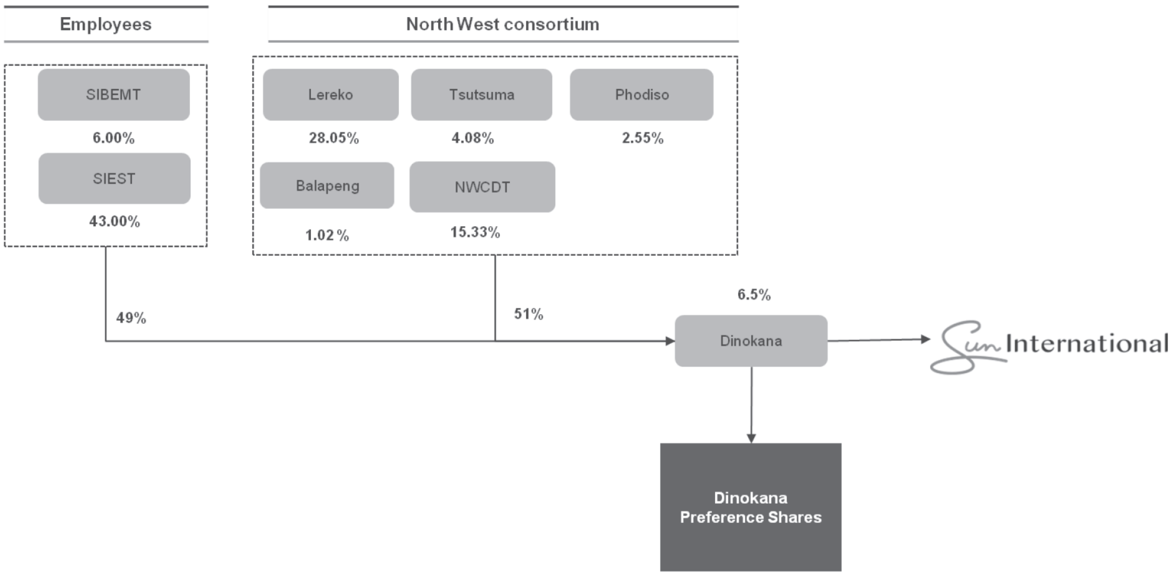
4.1.4 facilitates an orderly exit of the Affected Dinokana Shareholders and provides liquidity to the Affected Dinokana Shareholders if they so elect, in line with their expectations; and

4.1.5 provides Dinokana with the immediate cash resources to redeem the Dinokana Preference Shares with the result that the Existing Funding Guarantee will no longer be required. As such, the consolidated financial position of both Dinokana and Sun International will be degeared as a result of the Restructure.

5. BACKGROUND TO THE ORIGINAL BEE TRANSACTION

5.1 The Dinokana structure was established by Sun International in 2005 to facilitate a BEE shareholding in Sun International. In terms of the Original BEE Transaction, Dinokana acquired 7% of the issued share capital of Sun International. Of the initial 7% shareholding, 2.5% was issued at no consideration and the remaining 4.5% was issued for a consideration of R396 million, which was funded through the predecessor to the Dinokana Preference Shares. In 2008, Dinokana acquired an additional 1 million Sun International Shares, then sold 1.6 million Sun International Shares in 2009 and in 2010 sold 0.4 million Sun International Shares. As such, Dinokana currently holds an effective 6.5% of the Issued Shares (excluding Treasury Shares) of Sun International. In 2010 the Dinokana Preference Shares were issued to refinance the original funding and Sun International provided the Existing Funding Guarantee to the holder of the Dinokana Preference Shares.

5.2 The Original BEE Transaction structure is illustrated in the following diagram:



5.3 The Expiry of the Lock in Period stipulated in the Original BEE Transaction occurred during December 2014; whereupon the Affected Dinokana Shareholders were entitled to make controlled disposals of their interests in Dinokana subject to the restrictions stipulated in the Existing Shareholders Agreement.

5.4 On implementation of the Restructure, the Existing Shareholders Agreement will be cancelled. As a result of Dinokana redeeming the Dinokana Preference Shares as part of the Restructure, Sun International will no longer be required to provide the Existing Funding Guarantee of R60 million to the holder of the Dinokana Preference Shares.

6. SALIENT FEATURES OF THE RESTRUCTURE

6.1 As part of the Restructure and as detailed in the Restructure Agreement, Sun International and Dinokana have proposed three options (detailed in paragraph 6.2.2) to Affected Dinokana Shareholders that are in line with the objectives of Sun International and the Affected Dinokana Shareholders.

6.2 In terms of the Restructure Agreement:

6.2.1 Sun International will subscribe for shares in Dinokana in terms of the Subscription Agreement which will enable Dinokana to redeem the Dinokana Preference Shares; and

6.2.2 each Affected Dinokana Shareholder is provided with an option to either:

6.2.2.1 sell its Dinokana Shares to Dinokana (or, in the case of a SIBEMT Shareholder, to the Sun International Group) and retain the proceeds (**Option 1**); or

6.2.2.2 sell its Dinokana Shares to Dinokana, with the proceeds of such sale being distributed to the ultimate individual shareholders of the Affected Dinokana Shareholder and used to subscribe for Sun International Shares. In the case of a SIBEMT Shareholder, the SIBEMT Shareholder will exchange his or her Dinokana Shares for Treasury Shares. Sun International Shares acquired under this option are subject to a three-year lock in period, save for the Treasury Shares to be acquired by Mr MV Moosa and Dr NN Gwagwa, who are reinvesting their proceeds from their direct interest in Dinokana and should continue to remain directors of Sun International for the foreseeable future (**Option 2**); or

6.2.2.3 remain as a shareholder in Dinokana, subject to a five-year lock in period in respect of those Dinokana Shares. On expiry of the five-year lock in period, the Dinokana Shareholder shall have a right to require Dinokana to repurchase the said Dinokana Shares (as described in paragraph 7.1.6.2) (or, in the case of a SIBEMT Shareholder, to sell its Dinokana Shares to Sun International) (**Option 3**).

6.2.3 The SIBEMT Beneficiaries who do not hold Dinokana Shares, due to their rights to Dinokana Shares not yet having vested, will be provided with the options described in paragraph 6.2.2 as and when they become SIBEMT Shareholders. Prior to vesting of these rights to Dinokana Shares, the Dinokana Shares are held by SIBEMT.

6.2.4 Per the Restructure Agreement, the Affected Dinokana Shareholders have elected to exercise their options as follows:

6.2.4.1 Lereko – Option 1 in respect of 25% of its 28.05% shareholding in Dinokana and Option 2 in respect of 75% of its 28.05% shareholding in Dinokana;

6.2.4.2 NWCDT – Option 3 in respect its 15.33% shareholding in Dinokana;

6.2.4.3 SIEST – Option 3 in respect of its 43.00% shareholding in Dinokana;

6.2.4.4 Tsutsuma – Option 1 in respect of its 4.08% shareholding in Dinokana;

6.2.4.5 Balapeng – Option 2 in respect of its 1.02% shareholding in Dinokana;

6.2.4.6 Phodiso – Option 1 in respect of its 2.55% shareholding in Dinokana.

7. RESTRUCTURE STEPS

7.1 The steps to implement the Restructure based on the Options set out in paragraph 6.2.2 will be implemented as follows:

7.1.1 ***Sale of Treasury Shares and subscription of New Dinokana Shares***

7.1.1.1 Sun International will sell the requisite number of Treasury Shares at the prevailing market value in the open market to fund Dinokana for the redemption of the Dinokana Preference Shares. The Treasury Shares sold will be to public shareholders and in compliance with section 5.52 of the Listings Requirements. It is calculated that at the Last Practicable Date Sun International would have to sell approximately 4.04 million Sun International Shares. Using the proceeds (R529.22 million calculated as at the Last Practicable Date) from the sale of the Treasury Shares, Sun International will subscribe for New Dinokana Shares to enable Dinokana to redeem the Dinokana Preference Shares;

7.1.1.2 after subscription for the New Dinokana Shares, Sun International will have a controlling shareholding in Dinokana, holding approximately 69.01% of the Dinokana Shares based on the values at the Last Practicable Date. As a result, an effective 4.64 million Sun International Shares held by Dinokana will be controlled as Treasury Shares by Sun International.

7.1.2 ***Settlement of Dinokana Preference Shares***

Dinokana will then redeem the Dinokana Preference Shares using the proceeds received by Dinokana from Sun International for the subscription for New Dinokana Shares.

7.1.3 ***New Preference Shares***

7.1.3.1 Sun International will sell an additional 0.87 million Treasury Shares, based on the values as at the Last Practicable Date, and use the proceeds to subscribe for the New Preference Shares in Dinokana to fund the amount required for the Buyback by Dinokana from the Exiting Shareholders.

7.1.4 ***Buyback by Dinokana***

7.1.4.1 Using the cash proceeds from the issue of the New Preference Shares, Dinokana will effect the Buyback of Dinokana Shares from the Exiting Shareholders that have elected either Option 1 or Option 2 at the respective value per Dinokana Share as calculated per the Restructure Agreement, which is calculated as approximately R113.42 million in total as at the Last Practicable Date.

7.1.4.2 The consideration at which the Buyback will be implemented takes into account the Sun International Share price, the indebtedness of Dinokana and related costs.

7.1.5 ***Acquisition of Sun International Shares under Option 2***

7.1.5.1 Affected Dinokana Shareholders who elected Option 2 would acquire approximately 0.56 million Treasury Shares (calculated as at the Last Practicable Date) at the 30 Business Day VWAP for Sun International Shares as notified in writing by Sun International to Dinokana on the date of exercise of Option 2. None of the Sun International Shares issued will be issued to non-public shareholders, except for Lereko, Mr MV Moosa and Dr NN Gwagwa as per paragraph 10.2 and 10.3.

7.1.5.2 The Sun International Locked in BEE Shareholders will be restricted from disposing or encumbering their Sun International Shares for a period of three years, save for the exception referred to in paragraph 6.2.2.2 above.

7.1.6 ***Dinokana Locked in Shareholders***

7.1.6.1 The Dinokana Locked in Shareholders will be subject to a lock in period of five years, during which time they may not dispose of or encumber their Dinokana Shares.

7.1.6.2 On expiry of the five-year lock in period under Option 3, Dinokana Locked in Shareholders shall have the right to call upon Dinokana to repurchase their Dinokana Shares. In order to raise the requisite funds to repurchase the Dinokana Shares, Dinokana shall sell a proportionate share of the Sun International Shares held by Dinokana (being Treasury Shares) in the open market. Based on calculations as at the Last Practicable Date, and on the assumption that that all Dinokana Locked in Shareholders elect to exercise their rights under Option 3, Dinokana would be required to sell 1.56 million Sun International Shares to settle the obligation as per Option 3.

7.1.7 ***SIBEMT and SIBEMT Beneficiaries***

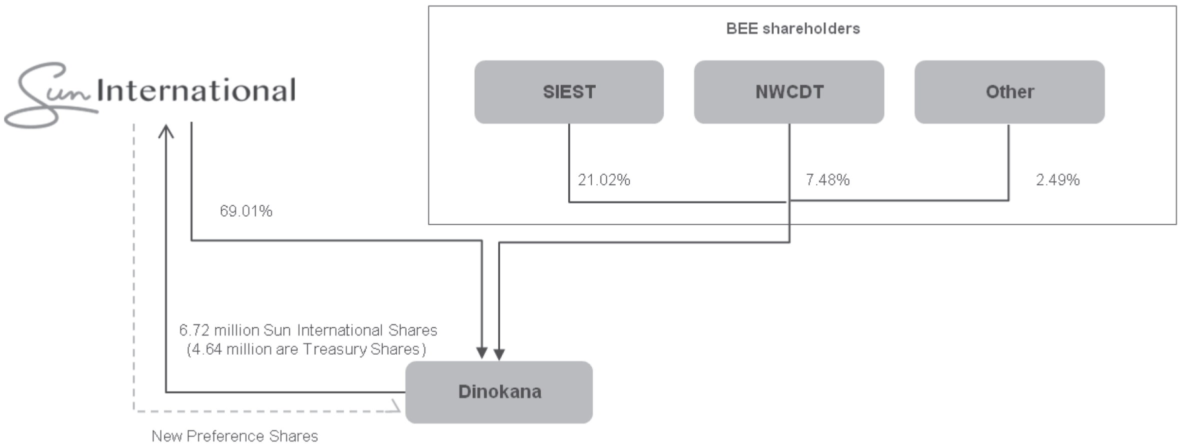
SIBEMT will not be entitled to exercise any Options. The SIBEMT Beneficiaries, upon becoming SIBEMT Shareholders in Dinokana, will be entitled to exercise the Options *mutatis mutandis* on the same basis as set out above, save that:

7.1.7.1 under Option 1, the SIBEMT Shareholder's Dinokana Shares will be acquired by Sun International;

7.1.7.2 under Option 2, the SIBEMT Shareholder's Dinokana Shares will be exchanged for Treasury Shares;

7.1.7.3 under Option 3, at expiry of the five-year lock in period, those SIBEMT Shareholders who call on Dinokana to repurchase their Dinokana Shares will instead have their Dinokana Shares purchased by Sun International.

7.2 Based on the elections made by the Affected Dinokana Shareholders as at the Last Practicable Date, the envisaged Dinokana structure post the Restructure is illustrated in the diagram below:



7.3 The Dinokana Locked in Shareholders will effectively hold 30.09% of Dinokana, which gives them an effective 2.00% interest in Sun International, post the Restructure. As a result, Sun International retains some of its BEE credentials and the Dinokana Locked in Shareholders benefit from significantly less gearing.

8. CONDITIONS PRECEDENT TO THE RESTRUCTURE

8.1 The Restructure is conditional upon fulfilment of, *inter alia,* the following Conditions Precedent, which are still outstanding as at the Last Practicable Date:

8.1.1 the Subscription Agreement is entered into, the terms of which are set out in paragraph 9.1;

8.1.2 the requisite majority of Sun International Shareholders approve the Restructure, as per the resolutions in the Notice of General Meeting;

8.1.3 Dinokana enters into the New Preference Share Subscription Agreement with Sun International for the New Preference Shares, the terms of which are set out in paragraph 9.2;

8.1.4 the holder of the Existing Preference Shares has approved, in writing, the transactions contemplated in the Restructure Agreement;

8.1.5 so many Sun International Shares have been disposed of as will result in the aggregate number of Sun International Shares held by the subsidiaries of Sun International, together with the shares in Sun International held by Dinokana, constituting 10% or less of the Sun International Shares;

8.1.6 the Dinokana Shareholders pass the necessary shareholder resolutions to implement the Restructure, and, where applicable, such resolutions are filed in terms of the Companies Act.

8.2 Sun International and Dinokana may, by agreement in writing, at any time:

8.2.1 extend the date for fulfilment of any Condition Precedent; and/or

8.2.2 waive the fulfilment of any Condition Precedent to the Restructure, in whole or in part, at any time, unless such Condition Precedent (or part thereof, if applicable) is legally required for the implementation of the transactions contemplated in the Restructure Agreement.

8.3 The Restructure will be implemented (other than in respect of SIBEMT Beneficiaries) on a date determined by Sun International after the Restructure Agreement becomes unconditional, which date shall not fall after 30 September 2015.

9. SUBSCRIPTION AGREEMENT AND NEW PREFERENCE SHARE SUBSCRIPTION AGREEMENT

9.1 Subscription Agreement

9.1.1 Sun International and Dinokana will enter into a Subscription Agreement whereby Sun International will subscribe for Dinokana Shares to enable Dinokana to redeem the Dinokana Preference Shares.

9.1.2 The Subscription Agreement is subject to the fulfilment of the condition precedent that the Restructure Agreement has been entered into and become unconditional.

9.2 New Preference Share Subscription Agreement

9.2.1 Sun International and Dinokana will enter into the New Preference Share Agreement whereby Sun International will subscribe for the New Preference Shares to enable Dinokana to repurchase Dinokana Shares from Exiting Shareholders electing Option 1 or Option 2.

9.2.2 The New Preference Shares are cumulative redeemable preference shares, with a dividend rate equal to 75% of the prime rate. They have a five-year term and have the right to receive dividends biannually in March and September each year. In addition, Dinokana is under an obligation to utilise 33.33% of its available cash, after settling costs and accrued preference dividends, to redeem the New Preference Shares.

9.2.3 100 New Preference Shares will be issued to Sun International for an amount equal to the consideration required by Dinokana to repurchase the shares held by Dinokana Shareholders who elect Option 1 and Option 2 in terms of the Restructure Agreement.

9.2.4 The New Preference Share Subscription Agreement is subject to the fulfilment of the condition precedent that the Restructure Agreement has been entered into and become unconditional.

10. SPECIFIC ISSUE OF SHARES TO A RELATED PARTY

10.1 As part of the Restructure, Lereko has elected Option 2 in respect of 75% of its Dinokana Shares and as such will be required to purchase Sun International Shares using their Buyback proceeds.

10.2 Lereko is an associate of Sun International under the Listings Requirements due to Mr MV Moosa and Dr NN Gwagwa having common directorships in both Sun International and Lereko, as well as through their ability to control more than 35% of the voting rights in Lereko. As such, Lereko is deemed to be a related party to Sun International in terms of the Listings Requirements.

10.3 The Buyback proceeds received by Lereko would ultimately be distributed to all of its shareholders, which include Mr MV Moosa and Dr NN Gwagwa. Upon these Buyback proceeds being received by the ultimate shareholders in Lereko, these would be used for the purpose of acquiring Treasury Shares. Mr MV Moosa and Dr NN Gwagwa are related parties to Sun International.

10.4 Pursuant to section 5.51(f) of the Listing Requirements, no fairness opinion would be required for the sale of the Treasury Shares to Mr MV Moosa and Dr NN Gwagwa, as the Treasury Shares will be sold at the 30 Business Day VWAP of Sun International Shares as notified in writing by Sun International to Dinokana on the date of exercise of Option 2.

11. TERMS OF THE SPECIFIC REPURCHASE

11.1 Sun International Investments owns 10.15 million Sun International Shares constituting 8.89% of the issued share capital of Sun International.

11.2 The Board has resolved that Sun International repurchase up to a maximum of 5.50 million Treasury Shares as may be required per paragraph 8.1.5 in order to ensure that the Treasury Shares do not exceed 10% of the issued share capital of Sun International. The Repurchase Shares will be repurchased at the 30 Business Day VWAP of Sun International Shares on the day prior to effecting the Specific Repurchase, subject to the applicable requirements of Sun International's MOI, the approval by Sun International Shareholders by way of a special resolution, the provisions of the Companies Act (and any other applicable laws of the Republic of South Africa) and the Listings Requirements. Sun International Investments and its associates will be excluded from voting on the related shareholder resolution as detailed in the Notice to General Meeting.

11.3 The consideration payable for the Treasury Shares will be owed as an intercompany loan. The following will be the key terms, *inter alia*, of the intercompany loan:

11.3.1 the loan will be unsecured;

11.3.2 interest will be charged at a rate determined by the board of Sun International Investments; and

11.3.3 the loan will be payable on demand by Sun International Investments.

11.4 The Repurchase Shares will be cancelled, in accordance with the Companies Act, and their listing on the JSE terminated on, or as soon as possible after, the implementation of the Specific Repurchase and application to the JSE for delisting.

11.5 In terms of the Listings Requirements the Specific Repurchase is to a related party as Sun International Investments is a subsidiary of Sun International. In terms of section 48 of the Companies Act and paragraph 5.69 of the Listing Requirements, a special resolution of the Company must be passed by Sun International Shareholders in order to implement the Specific Repurchase. As the repurchase consideration is based on the 30 Business Day VWAP of Sun International Shares on the day prior to effecting the Specific Repurchase, a fairness opinion is not required.

11.6 **Adequacy of capital**

11.7 The Directors have considered the impact of the Specific Repurchase and are of the opinion that:

11.7.1 the provisions of section 4 and section 48 of the Companies Act have been complied with;

11.7.2 the Sun International Group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of approval of this Circular;

11.7.3 the assets of the Sun International Group will be in excess of its liabilities for a period of 12 months after the date of approval of this Circular, where for this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of the Sun International Group;

11.7.4 the share capital and reserves of the Sun International Group will be adequate for ordinary business purposes for a period of 12 months after the date of approval of this Circular; and

11.7.5 the working capital of the Sun International Group will be adequate for ordinary business purposes for a period of 12 months after the date of approval of this Circular.

11.8 Furthermore, in respect of the Specific Repurchase:

11.8.1 in terms of section 46(1)(a)(ii) of the Companies Act and the Listings Requirements, the Board has, by resolution, authorised the Specific Repurchase;

11.8.2 in terms of section 46(1)(b) of the Companies Act, it reasonably appears that Sun International will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase; and

11.8.3 in terms of section 46(1)(c) of the Companies Act, the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test as set out in section 4 of the Companies Act, and reasonably concluded that the Company will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase, and since the test was performed there have been no material changes to the financial position of the Sun International Group.

11.9 **The financial effects of the Specific Repurchase**

11.9.1 As the Specific Repurchase will constitute an intra-group transaction, the financial effect on the Sun International Group's earnings per share, headline earnings per share, net asset value per share and net tangible asset value per share will be confined to the cost of the JSE documentation fee, the sponsor fee and Securities Transfer Tax, the effect of which is considered to be not material.

12. ***PRO FORMA*** **FINANCIAL EFFECTS OF THE RESTRUCTURE**

12.1 The table below sets out the *pro forma* financial effects of the Restructure on the published unaudited profit and cash dividend announcement of Sun International for the six months ended 31 December 2014. The *pro forma* financial effects have been prepared for illustrative purposes only and because of their *pro forma* 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 Restructure going forward.

12.2 The *pro forma* financial effects have been prepared using accounting policies that comply with IFRS and that are consistent with those applied in the published unaudited profit and cash dividend announcement of Sun International for the six months ended 31 December 2014. The *pro forma* financial effects are presented in accordance with the Listings Requirements and the Guide on *Pro forma* Financial Information issued by the South African Institute of Chartered Accountants and ISAE 3420, Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information Included in a Prospectus.

12.3 The Directors of the Company are responsible for the compilation, contents and preparation of the *pro forma* financial effects. Their responsibility includes determining that the *pro forma* financial effects have been properly compiled on the basis stated, which is consistent with the accounting policies of Sun International and that the *pro forma* adjustments are appropriate for purposes of the *pro forma* financial information disclosed pursuant to the JSE Listings Requirements.

12.4 The *pro forma* financial effects should be read in conjunction with the *pro forma* condensed group statement of financial position, the *pro forma* condensed group income statement contained in Annexure II and the Independent Reporting Accountant's report thereon contained in Annexure III.

12.5 **Accounting treatment**

12.5.1 As a result of Dinokana being consolidated into Sun International, any expenses incurred by Dinokana are reflected in the condensed group income statement of Sun International. Therefore, the costs associated with the Restructure and the saving on interest expenses due to redemption of the Dinokana Preference Shares are taken into account in the condensed group income statement of Sun International.

12.5.2 The SIBEMT Beneficiaries have been given the option to either exit their shareholding for cash or remain locked-in but directly own Sun International Shares (at a 10% discount) or alternatively remain locked-in to the Dinokana structure when their restrictions in respect of their Dinokana shares fall away. As the election has not yet taken place, their initial award is modified by the Restructure and a liability is raised to reflect the obligation as a cash-settled share-based payment award as if all of the SIBEMT Beneficiaries were to elect Option 1 (in terms of IFRS 2: Share-based payments, the entire obligation is raised regardless of the Option selected by SIBEMT Beneficiaries). In addition to the modification from an equity to a cash-settled award, any incremental value due to the modification will result in an expense to the extent that it relates to work rendered up until the date of the Restructure. Any subsequent remeasurement of the liability and change in probability of SIBEMT Beneficiaries electing Option 2, will impact on profit and loss in subsequent periods while there will be no impact if SIBEMT shareholders elect Option 1 or 3.

12.5.3 The NWCDT has elected Option 3 and is therefore entitled to put its Dinokana Shares to Dinokana after the five-year lock in period and a liability is raised to reflect this obligation as a cash-settled share-based payment award. Any subsequent remeasurement of the liability will impact profit and loss in subsequent periods.

For the six months ended 31 December 2014	Before (cents)[1] (A)	*Pro forma* after the Restructure (cents)[2] (B)	Change (%) (B/A)
Net asset value per share	2 099	2 399	14.29
Net tangible asset value per share	1 285	1 625	26.45
Earnings per share	848.9	803.3	(5.37)
Diluted earnings per share	843.3	798.3	(5.34)
Headline earnings per share	371.8	350.1	(5.83)
Diluted headline earnings per share	369.3	347.9	(5.80)
Adjusted headline earnings per share	412.6	412.5	(0.02)
Diluted adjusted headline earnings per share	410.1	410.1	(0.02)
Weighted average number of Sun International shares in issue (thousands)	93 065	97 971	5.27
Weighted average diluted number of Sun International shares in issue (thousands)	93 681	98 587	5.24
Weighted average adjusted number of Sun International shares in issue (thousands)	103 980	104 248	0.26
Weighted average diluted adjusted number of Sun International shares in issue (thousands)	104 596	104 864	0.26
Number of shares in issue (thousands)	93 072	97 978	5.27
Total Sun International shares in issue (thousands)	114 129	114 129	
Treasury shares (thousands)	21 057	16 151	

Notes and assumptions:

1. The Sun International information reflected in the "Before" column has been extracted from the published unaudited profit and cash dividend announcement of Sun International for the six-month period ended 31 December 2014.
2. The Sun International information reflected in the "*Pro forma* after the Restructure" column has been calculated on the basis that all of the steps to implement the Restructure have been implemented.
3. The effects on earnings, diluted earnings, headline earnings, diluted headline earnings, adjusted headline earnings and diluted adjusted headline earnings are calculated on the basis that the Restructure was effective on 1 July 2014, while the effects on net asset value and net tangible asset value per share are calculated on the basis that the Restructure was effective on 31 December 2014.
4. The detailed notes and assumptions to the financial effects are presented in Annexure II and the *pro forma* financial effects should be read in conjunction with the *pro forma* condensed group statement of financial position and the *pro forma* condensed group income statement contained therein.
5. The increase in the weighted average and weighted diluted average number of shares in issue is due to the sale of the Treasury Shares into the market. The acquisition of New Dinokana Shares however, does not result in an increase in the Treasury Shares held as Dinokana prior to the Restructure was treated as a subsidiary in terms of IFRS and as a consequence the Sun International Shares held by Dinokana were treated as deemed treasury shares. This is despite Sun International not holding an actual interest in Dinokana prior to the Restructure.

13. INFORMATION ON SUN INTERNATIONAL

13.1 Nature of the business

Sun International is a tourism, leisure and gaming group and operates or has an interest in a total of 27 resorts, luxury hotels and casinos across eight countries. This includes 15 operations in South Africa, two in Zambia, two in Lesotho, one in Botswana, one in Nigeria, one in Swaziland, one in Namibia and one near Santiago in Chile. Sun International also opened a casino in Panama in October 2014 and has been granted a casino licence in Colombia.

13.2 Prospects

Sun International's competitive advantage stems from the fact that it has a compelling and global competence in both the development and operation of casinos, hotels and resorts – and at the same time is comfortable operating in emerging markets.

Sun International's entry into Latin America began in Chile and has been a success story for the Sun International Group, giving them the track record and confidence to look for more opportunities that offer gaming opportunities in the region. They have opened an operation in Panama and are pursuing a gaming opportunity in Colombia. Sun International has also recently announced the merger of its Latam portfolio with the casino and hotel portfolio of assets of Dreams S.A. in Chile.

Sun International's approach has been to differentiate their hotels, resorts and casinos in architecture, service, experience, location and the mix of entertainment and activities.

14. EXCHANGE CONTROL REGULATIONS

14.1 The following is a summary of the relevant Exchange Control Regulations. Sun International Shareholders who are not resident in South Africa, or who have registered addresses outside South Africa, must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of any consideration in terms of the Restructure, including obtaining any required governmental or other consents, observing any other required formalities and paying any issue, transfer or other taxes due in that jurisdiction. If any Sun International Shareholder is in any doubt, he should consult his professional advisors without delay.

14.2 Residents of the Common Monetary Area

In the case of:

14.2.1 Certificated Shareholders whose registered address in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the consideration payable in terms of the restructure will be paid by way of EFT or posted to such Sun International Shareholders; and

14.2.2 Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and have not been restrictively designated in terms of the Exchange Control Regulations, the consideration in terms of the Restructure will be credited directly to the accounts nominated for the relevant Sun International Shareholders by their duly appointed CSDP or broker in terms of the provisions of the custody agreement with their CSDP or broker.

14.3 Emigrants from the Common Monetary Area

In the case of Sun International Shareholders who are emigrants from the Common Monetary Area and whose Sun International Shares form part of their blocked assets, the consideration in terms of the Restructure will:

14.3.1 in the case of Certificated Shareholders whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling such Sun International Shareholders' blocked assets in terms of the Exchange Control Regulations; and

14.3.2 in the case of Dematerialised Shareholders whose registered address in the Register are within the Common Monetary Area and have not been restrictively designated in terms of the Exchange Control Regulations, be paid to their CSDP or broker, which shall arrange for same to be credited directly to the blocked Rand bank account of the Sun International Shareholder concerned with their Authorised Dealer in foreign exchange in South Africa.

14.4 All other non-residents of the Common Monetary Area

The consideration in terms of the Restructure accruing to non-resident Sun International Shareholders whose registered address is outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will:

14.4.1 in the case of Certificated Shareholders whose Documents of Title have been restrictively endorsed in terms of the Exchange Control Regulations, be paid by way of EFT or posted to their registered address; and

14.4.2 in the case of Dematerialised Shareholders, be paid to their duly appointed CSDP or broker and credited to such Sun International Shareholders in terms of the provisions of the custody agreement with their CSDP or broker.

14.5 Information not provided

If the information regarding Authorised Dealers is not given or the instructions are not given and no bank account or address details for the Sun International Shareholder in question appears in the Register, the Scheme Consideration will be held in trust by Sun International or the Transfer Secretaries on behalf of Sun International for the Sun International Shareholders concerned, pending receipt of the necessary information or instructions.

15. SHARE CAPITAL

15.1 The authorised and Issued Shares of Sun International on the Last Practicable Date and after the Restructure are set out below:

	Before restructure		**After restructure**		
As at 30 June 2014	**Number of shares**	**R'm**	**Number of shares**	**R'm**	**Notes**
Authorised					
Ordinary shares of 8 cents each	150 000 000	12	150 000 000	12	
Variable rate cumulative redeemable preference shares of 1 cent each	100 000 000	1	100 000 000	1	
Issued					
Share capital					
Ordinary shares of 8 cents each	114 129 455	9	114 129 455	9	
Share premium		300		300	
Treasury shares and share options					
Held by subsidiary	10 149 477	1 069	11 963 645	1 307	1
Deemed treasury shares and share options	1 615 485	308	1 615 485	308	
Held by Dinokana	6 719 759	367	–	–	
Held by Employee Share Trusts	2 597 419	85	2 597 419	85	

1. Notes:

Held by subsidiary	10 149 477
Treasury Shares sold in terms of Option 1	(4 039 822)
Treasury Shares sold in terms of Option 2	(865 769)
Held by Dinokana	6 719 759
	11 963 645

The calculations above assume a Sun International Share price of R131 per share.

16. MAJOR SHAREHOLDERS

As at the Last Practicable Date, insofar as is known to Sun International, the following Shareholders (other than Directors) had greater than a 5% indirect and/or direct beneficial shareholding in Sun International:

Shareholder	Direct shareholding	Indirect shareholding	% of total shareholding
Allan Gray	9 876 166	14 612 712	23.55
Sanlam	7 585 017	942 034	8.20
Dinokana Investments (Pty) Ltd	6 719 759	–	6.46
Old Mutual	5 975 476	543 565	6.27
Investment Solutions	5 863 108	–	5.64
Total	**36 019 526**	**16 098 311**	**50.12**

17. DIRECTOR'S INTEREST IN THE RESTRUCTURE

Save for the disclosure made per paragraph 18, no Directors have a material beneficial interest, whether direct or indirect, in the Restructure nor do any of them have a material interest in a transaction that was effected by Sun International during the current or immediately preceding financial year, nor during an earlier financial year in respect of an outstanding or unperformed interest.

18. DIRECTORS' INTERESTS IN SECURITIES

18.1 Directors' interests in securities

18.1.1 A statement showing the direct and indirect beneficial interests of the Directors' (and their associates), including Directors who have resigned during the 18 months prior to the Last Practicable Date, holdings in Sun International Shares as at 30 June 2014 are as follows:

	Prior to Restructure				Post Restructure			
Director	Indirect share-holding	Direct share-holding	Number of shares	% of total share-holding	Indirect share-holding	Direct share-holding	Number of shares	% of total share-holding
NN Gwagwa	266 102*	–	266 102	0.26	–	59 841^	59 841	0.06
AM Leeming	–	103 982	103 982	0.10	–	103 982†	103 982	0.10
IN Matthews	–	2 723	2 723	0.00	–	2 723	2 723	0.00
KH Mazwai#	–	91 398	91 398	0.09	–	71 003	71 003	0.07
MV Moosa*	598 731*	–	598 731	0.58	–	122 151^	122 151	0.12
GE Stephens	–	201 732	201 732	0.19	–	201 732‡	201 732	0.20
Total	**864 833**	**399 835**	**1 264 668**	**1.2**	**–**	**561 432**	**561 432**	**0.55**

**Held indirectly through Lereko and Dinokana*
KH Mazwai resigned as of 31 January 2015
^ Based on an indicative Sun International Share price of R131
† 95 037 of which are held through share plans
‡ Held through share plans

18.1.2 The following are the number of grants and share options held by Directors and individuals who were directors of Sun International during the past 18 months as at 30 June 2014:

Director	Number of grants
Equity Growth Plan	
GE Stephens	246 950
AM Leeming	134 711
KH Mazwai#	109 300
Conditional share plan	
GE Stephens	35 630
AM Leeming	30 975
KH Mazwai#	30 262
Deferred Bonus Plan	
GE Stephens	6 241
AM Leeming	5 775

Director	Number of grants
KH Mazwai#	3 774
Restricted Share Plan	
GE Stephens	147 329
AM Leeming	59 099
KH Mazwai#	44 538
Bonus Share Matching Plan	
GE Stephens	28 358
AM Leeming	13 137
KH Mazwai#	7 688

KH Mazwai resigned as of 31 January 2015

18.1.3 The following changes to Directors and individuals who were directors of Sun International during the past 18 months, interests in Sun International Shares, grants and share options occurred between the end of the preceding financial year (i.e. 30 June 2014) and the Last Practicable Date:

Director	Date of grant	Grants made	Grants vested	Grants exercised	Grants forfeited
GE Stephens					
Bonus Share Matching Plan	11.09.2014	30 771			
Conditional Share Plan	29.06.2011		6 867	0	8 959^
Restricted Share Plan	01.10.2011		31 081	0	0
TOTAL		**30 771**	**37 948**	**0**	**8 959**
AM Leeming					
Bonus Share Matching Plan	11.09.2014	14 255			
Conditional Share Plan	29.06.2011		6 052	0	7 897^
Deferred Bonus Plan	27.09.2011		2 225	0	0
TOTAL		**14 255**	**8 277**	**0**	**7 897**
KH Mazwai					
Bonus Share Matching Plan	11.09.2014	7 300			
Conditional Share Plan	29.06.2011		6 621	6 621	8 638^
Deferred Bonus Plan	27.09.2011		801	801	
TOTAL		**7 300**	**7 422**	**7 422**	**8 638**

^ *A portion forfeited due to the relevant performance condition not being met.*

18.2 **Directors' service contracts**

18.2.1 There are no service contracts between Sun International and any of its Directors longer than one year in duration. Such contracts are terminable on six months' notice. Executive Directors do not receive fees for their services as Directors.

18.2.2 The current remuneration of non-executive Directors was reviewed in line with the recommendations of King III. The non-executive Directors' fees have been split into a base fee component and an attendance fee component.

18.2.3 The remuneration receivable by the Directors will not be varied as a consequence of the Restructure.

19. COSTS IN RELATION TO THE RESTRUCTURE

The following expenses and provisions are expected, or have been provided for in connection with the Restructure. The fees will effectively be paid by the Dinokana Shareholders and have been taken into account when valuing the subscription price Sun International will pay for the New Dinokana Shares. All the fees payable to the parties below are exclusive of value-added tax. These expenses are once off in nature.

Service	Service provider	R'000
Legal fees	Cliffe Dekker Hofmeyr	650
Investment banking and transactional sponsor fees	Investec	2 000
Reporting accountants fees	PricewaterhouseCoopers Inc	250
Printing and publication costs	Ince	54
JSE documentation fees	JSE	33
Estimated Restructure fees*	*Ad hoc*	4 013
Estimated total expenses and fees		**7 000**

* As the Restructure has not been implemented, a provision of fees has been set aside to cover any implementation costs which are reasonably expected to arise in future.

20. LITIGATION

There are currently no legal or arbitration proceedings, including any such proceedings that are pending or threatened which may have, or have had, a material effect on the Sun International Group financial position during the 12 months preceding the date of this Circular.

21. MATERIAL CHANGES

The Board is not aware of any material changes in the financial or trading position of the Sun International Group subsequent to the latest unaudited results for the 6 month period ended 31 December 2014.

22. MATERIAL CONTRACTS

Save for the agreements relating to the Restructure as described in this Circular, neither Sun International nor any of its subsidiaries have entered into any material contract, other than in the ordinary course of business, within the two years prior to the Last Practicable Date or at any time and containing an obligation or settlement that is material to the Sun International Group at the Last Practicable Date.

23. CONSENTS

All parties as detailed on the cover of this Circular have consented in writing to the inclusion of their names and reports in this Circular in the form and context in which they appear and have not withdrawn their consents prior to the publication of this Circular.

24. DIRECTORS' RESPONSIBILITY STATEMENT AND RECOMMENDATION

24.1 The Directors, whose names are set out on page 9 of this Circular, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no other facts that have been omitted which would make the contents of this Circular 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.

24.2 Having regard to the background information, the Board is of the opinion that the Restructure is fair insofar as the Sun International Shareholders are concerned, that the Restructure would be of future benefit to Sun International Shareholders and, accordingly, recommend that Shareholders vote in favour of the ordinary resolutions necessary to implement the Restructure.

24.3 Those Directors who hold Sun International Shares and are permitted to vote, intend to vote in favour of the ordinary resolutions, as set out in the notice of General Meeting.

24.4 There will be no change to the Directors of Sun International as a result of the Restructure.

25. VOTING RIGHTS

25.1 All the issued Sun International Shares rank *pari passu* with each other.

25.2 At the General Meeting, every Shareholder present or represented by proxy at the General Meeting shall have one vote on a show of hands, and on a poll shall have that number of votes determined in accordance with the voting rights associated with the Sun International ordinary shares held by that Shareholder.

25.3 In terms of the Listings Requirements, Lereko (as per paragraph 10.2) and Sun International Investments are related parties in relation to Sun International. Accordingly, in terms of the Listings Requirements, the Restructure must be authorised by way of an ordinary resolution approved by a simple majority of Shareholders (that is, more than 50% of the total voting rights exercisable on ordinary resolution number 4) and for the authority to sell Treasury Shares by way of ordinary resolutions 1 and 2 approved by 75% of Shareholders, other than the related parties and their associates participating in such Restructure, as well as Dinokana (as they are the subject of the Restructure).

26. GENERAL MEETING

26.1 A General Meeting of Shareholders will be held at The Maslow Hotel, 146 Rivonia Road, Sandton, 2196, Gauteng on 31 March 2015 at 10:00 in order to consider, and, if deemed fit, pass, with or without modification, the resolutions as set out in the notice of General Meeting attached and forming part of this Circular.

26.2 Shareholders are referred to the notice of General Meeting attached to this Circular for detail on the resolutions to be proposed at the General Meeting and to the "Action required by Shareholders" section of this Circular for information on the procedure to be followed by Shareholders in order to exercise their votes at the General Meeting.

27. ELECTRONIC PARTICIPATION IN THE GENERAL MEETING

27.1 Sun International intends to make provision for Shareholders, or their proxies, to participate in the General Meeting by way of electronic communication. In this regard, Sun International intends making a dial-in facility available that will be linked to the venue at which the General Meeting will take place, on the date of, and from the time of commencement of, the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting.

27.2 Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice as outlined in the Notice of the General Meeting attached to this Circular. Please note that the cost of the dial in facilities described above will be for the account of Sun International.

28. DOCUMENTS AVAILABLE FOR INSPECTION

28.1 Copies of the following documents will be available for inspection during normal business hours at the registered office of Sun International at 6 Sandown Valley Crescent, Sandton, from 3 March 2015 up to and including the date of the General Meeting:

28.1.1 The MOI of Sun International and its subsidiaries;

28.1.2 The Restructure Agreement;

28.1.3 The Subscription Agreement;

28.1.4 The Existing Shareholders Agreement;

28.1.5 The proposed new MOI of Dinokana;

28.1.6 The annual reports of Sun International for the three years ended 30 June 2012, 30 June 2013 and 30 June 2014;

28.1.7 The interim results of Sun International for the six-month period ended 31 December 2014;

28.1.8 The latest sworn appraisals or valuations relative to movable and immovable property and items of a similar nature;

28.1.9 Copies of service agreements with directors, managers, underwriters, vendors and promoters entered into during the last three years;

28.1.10 The written consent of each of the advisors set out on the cover of this Circular; and

28.1.11 A signed copy of this Circular.

For and on behalf of
SUN INTERNATIONAL LIMITED

3 March 2015
Sandton

TRADING HISTORY OF SUN INTERNATIONAL SHARES

The high, low and closing prices of Sun International Shares on the JSE, and the volumes traded, since 28 February 2014, were as follows:

Daily (30 days)

Date	Closing (cents)	High (cents)	Low (cents)	Volume (shares)	Value (Rand)
2015/01/16	12 400	12 693	12 091	179 472	22 192 330
2015/01/19	12 380	12 400	12 257	36 949	4 562 704
2015/01/20	12 250	12 402	12 250	74 965	9 237 063
2015/01/21	12 476	12 800	12 251	80 476	9 947 251
2015/01/22	12 490	12 575	12 250	206 963	25 875 650
2015/01/23	12 500	12 662	12 488	105 256	13 175 820
2015/01/26	12 376	12 776	12 250	64 806	8 121 025
2015/01/27	12 600	12 648	12 441	327 852	40 998 350
2015/01/28	13 000	13 286	12 442	304 043	39 068 640
2015/01/29	12 846	13 178	12 420	308 375	39 765 380
2015/01/30	13 000	13 000	12 731	117 837	15 277 530
2015/02/02	13 145	13 159	12 656	297 627	38 983 910
2015/02/03	13 221	13 289	12 955	104 862	13 817 300
2015/02/04	12 900	13 289	12 855	291 957	38 090 890
2015/02/05	13 000	13 123	12 869	304 947	39 580 590
2015/02/06	13 084	13 270	12 920	135 355	17 600 140
2015/02/09	13 440	13 499	13 025	62 658	8 338 858
2015/02/10	13 770	13 994	13 501	318 082	43 667 250
2015/02/11	13 895	14 224	13 770	266 378	37 141 690
2015/02/12	13 883	14 031	13 827	150 264	20 908 620
2015/02/13	13 890	14 160	13 400	206 530	28 696 910
2015/02/16	14 200	14 250	13 550	490 094	69 134 030
2015/02/17	13 800	14 200	13 450	115 826	16 072 150
2015/02/18	13 550	13 790	13 350	311 184	42 290 740
2015/02/19	13 488	13 600	13 448	243 193	32 805 780
2015/02/20	13 475	13 500	13 437	185 160	24 931 400
2015/02/23	13 500	13 800	13 020	83 186	11 244 820
2015/02/24	13 100	13 949	13 058	235 645	31 121 780
2015/02/25	13 051	13 200	12 920	483 271	63 036 550
2015/02/26	13 070	13 390	12 981	123 654	16 178 140

Monthly (12 months)

Date	Closing (cents)	High (cents)	Low (cents)	Volume (shares)	Value (Rand)
2014/02/28	9 850	10 041	9 224	2 691 379	258 948 200
2014/03/31	9 493	9 899	8 900	2 256 700	214 582 000
2014/04/30	9 441	9 700	9 087	3 361 372	316 974 100
2014/05/30	10 400	10 600	9 110	3 293 188	328 769 900
2014/06/30	10 600	10 900	10 001	1 943 973	205 762 200
2014/07/31	11 000	11 050	10 275	2 282 667	246 927 600
2014/08/29	10 720	11 505	10 347	5 816 169	632 937 400
2014/09/30	11 700	11 879	10 601	4 794 898	543 434 600
2014/10/31	11 970	12 505	11 500	3 851 812	460 127 400
2014/11/28	12 350	13 000	11 522	3 492 579	418 009 600
2014/12/31	12 264	13 200	11 350	3 899 061	473 979 600
2015/01/30	12 890	13 000	11 682	3 521 754	424 501 300

PRO FORMA FINANCIAL INFORMATION OF SUN INTERNATIONAL

The tables below set out the *pro forma* financial information of Sun International based on the published unaudited profit and cash dividend announcement for the six months ended 31 December 2014. The *pro forma* financial information has been prepared for illustrative purposes only and because of its *pro forma* 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 Restructure going forward.

The purpose of the *pro forma* financial information is to illustrate the impact of the Restructure had it been effective 31 December 2014 for purposes of the *pro forma* condensed group statement of financial position and 1 July 2014 for purposes of the *pro forma* condensed group income statement and on the assumptions set out below. It does not purport to be indicative of what the financial results would have been had the Restructure been implemented on a different date.

The *pro forma* financial information has been prepared using accounting policies that comply with IFRS and that are consistent with those applied in the published unaudited profit and cash dividend announcement of Sun International for the six months ended 31 December 2014. The *pro forma* financial information is presented in accordance with the Listings Requirements and the Guide on *Pro forma* Financial Information issued by the South African Institute of Chartered Accountants and ISAE 3420 (Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information Included in a Prospectus).

The Directors of the Company are responsible for the compilation, contents and preparation of the *pro forma* financial information. Their responsibility includes determining that the *pro forma* financial information has been properly compiled on the basis stated, which is consistent with the accounting policies of Sun International and that the *pro forma* adjustments are appropriate for purposes of the *pro forma* financial information disclosed pursuant to the Listings Requirements.

The *pro forma* condensed group statement of financial position as at 31 December 2014 and the *pro forma* condensed group income statement for the six months then ended, should be read in conjunction with the Independent Reporting Accountant's report thereon contained in Annexure III.

The *pro forma* condensed group statement of financial position below presents the effects of the Restructure on the published unaudited profit and cash dividend announcement of Sun International for the six months ended 31 December 2014 on the assumption that the Restructure was effective 31 December 2014.

***Pro forma* condensed group statement of financial position for the six months ended 31 December 2014**

R millions	Before[1]	Restructure effects[2]	*Pro forma* after Restructure	Notes
Assets				
Non-current assets				
Property plant and equipment	11 298		11 298	
Intangible assets	758		758	
Investment in associates	392		392	
Investment in joint ventures	191		191	
Available-for-sale investment	48		48	
Loans and receivables	10		10	
Pension fund asset	45		45	
Deferred tax	287		287	
	13 029	**–**	**13 029**	
Current assets				
Loans and receivables	2		2	
Inventory	–		–	
Accounts receivable	636		636	
Tax	75		75	
Cash and cash equivalents	567	–	567	**2.1**
	1 280	–	1 280	
Non-current assets held for sale	75		75	
Total assets	**14 384**	**–**	**14 384**	
Equity and liabilities				
Capital and reserves			–	
Ordinary shareholders equity	1 954	396	2 350	**2.2**
Minorities' interests	406	61	467	**2.3**
Total equity	**2 360**	**457**	**2 817**	
Non-current liabilities				
Deferred tax	448		448	
Borrowings	5 904	(522)	5 382	**2.4**
Other non-current liabilities	842		842	
IFRS 2 liability	–	65	65	**2.5**
	7 194	(457)	6 737	
Current liabilities				
Accounts payable and accruals	1 253		1 253	
Provisions	–		–	
Borrowings	3 467		3 467	
Tax	58		58	
	4 778	–	4 778	
Current liabilities held for sale	52		52	
Total equity and liabilities	**14 384**	**–**	**14 384**	
Number of shares in issue ('000)	**93 072**	**4 906**	**97 978**	
Net asset value per share (cents)	**2 099**		**2 399**	
Net tangible asset value per share (cents)	**1 285**		**1 625**	

Notes and assumptions:

1. Extracted from the published unaudited profit and cash dividend announcement of Sun International for the six months ended 31 December 2014
2. The "Restructure effects" column reflects the Restructure steps based on the following assumptions:

2.1 Relates to the following cash movements

	(R'm)
Estimated Restructure transaction costs are settled from cash and cash equivalents	(7)
Assumed proceeds on the sale of an assumed 4 039 822 Treasury Shares by Sun International at an assumed share price of R131 per share, being the share price on the Last Practical Date	529
Cash outflow on the redemption of the Dinokana Preference Shares liability based on the carrying value of the liability as at 31 December 2014	(522)
Cash inflow on the assumed proceeds from the sale of an assumed 309 594 Treasury Shares at an assumed share price of R131 per share, being the share price on the Last Practical Date (to fund the Exiting Shareholders who have already elected Option 1)	40
Cash inflow on the assumed proceeds of from the sale of an assumed 556 175 Treasury Shares at an assumed share price of R131 per share, being the share price on the Last Practical Date (to fund the Exiting Shareholders who have already elected Option 2)	73
Assumed cash outflow to repurchase Dinokana Shares from Exiting Shareholders, as calculated per the Restructure Agreement assuming a Sun International share price of R131, the indebtedness of Dinokana at 31 December 2014 and related costs	(113)
Net effect on cash and cash equivalents	–

2.2 Relates to the change in ordinary shareholders equity as follows:

	(R'm)
Increase in share capital and premium upon the sale of an assumed 4 905 591 (4 039 822 + 865 769) Treasury Shares by Sun International at an assumed share price of R131 per share, being the share price on the Last Practical Date,	642
Estimated Restructure transaction costs	(7)
The repurchase of Dinokana Shares from Exiting Shareholders is considered a transaction with minorities in terms of IFRS 10: Consolidated financial statements, and consequently shareholders equity is adjusted for the assumed consideration of R113 million paid to Exiting Shareholders (refer underlying assumptions in note 2.1 above)	(113)
Reversal of minority interest in Dinokana following the repurchase of Dinokana Shares from Exiting Shareholders	(61)
IFRS 2 share based payment expense as described in note 2.2 to the condensed group income statement	(7)
IFRS 2 share based payment reserve as described in note 2.2 to the condensed group income statement	7
IFRS 2 share based payment reserve as described in note 2.5 below	(65)
Net increase in ordinary shareholders equity	396

2.3	Minorities' interests are adjusted to reverse the carrying value attributable to the Exiting Shareholders. Due to the net asset value of Dinokana being negative on a consolidated group level, the repurchase of the Dinokana Shares results in an increase in minorities' interests	61
2.4	Relates to the redemption of the Dinokana Preference Shares. The raising of the New Preference Shares is an intercompany transaction with Dinokana and therefore there is no effect on the statement of financial position of Sun International	(522)

2.5 Relates to the following IFRS 2 liabilities:

		(R'm)
(a)	IFRS 2 liability arising due to the modification of the terms and conditions on the SIBEMT options granted by Sun International pursuant to the Restructure which provides the beneficiaries with the right to receive cash after vesting of the original awards. In terms of IFRS 2, where the counterparty is provided with a choice of settlement (i.e. Options 1 to 3) it is deemed a cash-settled share-based payment transaction	7
(b)	IFRS 2 liability arising from NWCDT having the right to require Dinokana to repurchase their Dinokana Shares for cash after the expiry of the five year lock in period in terms of their already elected Option 3. The initial award was equity settled in terms of IFRS 2 and the election of Option 3 modifies the award to a cash-settled share-based payment award	58
		65

On initial recognition, being the date on which the Restructure is implemented, the financial liability will be measured at fair value using an intrinsic value calculation with a corresponding IFRS 2 share based payment reserve recognised against ordinary shareholders' equity. The assumptions used for purposes of the *pro forma* financial effects include:

(a) SIBEMT

- a Sun International Share price of R131 per share due to the assumption that the current value in the Dinokana structure is the intrinsic value; and
- There is no effect of a trickle dividend on the net asset value of the Dinokana structure.

(b) NWCDT

- a Sun International Share price of R131 per share due to the assumption that the current value in the Dinokana structure is the intrinsic value; and
- there is no effect of a trickle dividend on the net asset value of the Dinokana structure.

These effects are a reclassification from equity to liabilities. Any subsequent remeaurement of the liabilities will impact profit and loss in subsequent periods.

The *pro forma* condensed group income statement below presents the effects of the Restructure on the published unaudited profit and cash dividend announcement of Sun International for the six months ended 31 December 2014 on the assumption that the Restructure was effective 1 July 2014.

Pro forma condensed group **income statement for the six months ended 31 December 2014**

	Before[1]	Restructure effects[2]	*Pro forma* after Restructure	Notes
R millions				
Revenue	5 290		5 290	
Casino	4 339		4 339	
Rooms	428		428	
Food beverage and other revenue	523		523	
Other income	462		462	
Consumables and services	(530)		(530)	
Depreciation and amortisation	(484)		(484)	
Employee costs	(1 106)		(1 106)	
Levies and VAT on casino reserve	(1 059)		(1 059)	
Promotional and marketing costs	(356)		(356)	
Property and equipment rentals	(71)		(71)	
Property costs	(267)		(267)	
Other operational costs	(497)	(7)	(504)	**2.1**
IFRS 2 expense		(7)	(7)	**2.2**
Operating profit	**1 382**	**(14)**	**1 368**	
Foreign exchange profits	(32)		(32)	
Interest income	12		12	
Interest expense	(288)	21	(267)	**2.3**
Share of associates losses	(1)		(1)	
Profit before tax	**1 073**	**7**	**1 080**	
Tax	(235)		(235)	
Profit from continuing operations	**838**	**7**	**845**	
Profit from discontinued operations	47		47	
Profit for the period	**885**	**7**	**892**	
Other comprehensive income	–		–	
Items that will not be reclassified to profit/loss	–		–	
Remeasurements of post employment benefit obligations	–		–	
Tax on remeasurements of post employment benefits	–		–	
Items that may be reclassified to proft/loss	–		–	
Net profit/(loss) on cash flow hedges	(2)		(2)	
Tax on net profit/(loss) on cash flow hedges	1		1	
Transfer of hedging reserve to statement of comprehensive income	–		–	
Tax on transfer of hedging reserve to statements of comprehensive income	–		–	

R millions	Before[1]	Restructure effects[2]	*Pro forma* after Restructure	Notes
Currency translation reserve	(13)		(13)	
Total comprehensive income for the year	**871**	**7**	**878**	
Profit attributable to minorities	95	10	**105**	
Profit attributable to ordinary shareholders	790	(3)	**787**	
Reconciliation of headline earnings				
Profit attributable to ordinary shareholders	790	(3)	787	
Headline earnings adjustments	(462)	–	(462)	
Profit on disposal of shares in subsidiaries	(462)		(462)	
Tax relief on above items	18		18	
Minorities's interests in above items	–		–	
Headline earnings	346	(3)	343	
Adjusted headline earnings adjustments			–	
Pre–opening expenses	48		48	
Restructure costs	35	3	38	
Monticello purchase price adjustment	23		23	
Monticello profits – consolidated from from 1 July 2014 to 31 October 2014	(27)		(27)	
Other	12		12	
Foreign exchange losses/(profits) on intercompany loans	13		13	
Tax on the above items	(20)		(20)	
Minorities' interests on the above items	(11)		(11)	
Reversal of Employee Share Trusts'	10	1	11	
Adjusted headline earnings	**429**	**1**	**430**	
Number of shares ('000)				
– for EPS calculation	**93 065**	4 906	97 971	**2.4**
– for diluted EPS calculation	**93 681**	4 906	98 587	**2.4**
– for adjusted headline EPS calculation	**103 980**	268	104 248	**2.4**
– for diluted adjusted headline EPS calculation	**104 596**	268	104 864	**2.4**
Earnings per share (cents)				
Basic	848.9		803.3	
Headline	371.8		350.1	
Adjusted headline	412.6		412.5	
Diluted earnings per share (cents)				
Basic	843.3		798.3	
Headline	369.3		347.9	
Adjusted headline	410.1		410.1	

Notes and assumptions:

1. Extracted from the published unaudited profit and cash dividend announcement of Sun International for the six months ended 31 December 2014
2. The "Restructure effects" column reflects the Restructure steps based on the following assumptions:
   2.1 Relates to the estimated once-off transaction costs of the Restructure of R7 million.

   2.2 Relates to the following IFRS 2 expense

	(R'm)
A once-off IFRS 2 expense arising from the vested awards of SIBEMT Shareholders who are expected to elect Option 2 exchanging their Dinokana Shares for Sun International Treasury Shares at a discount of 10% to the 30 business day VWAP of Sun International Shares on the vesting of their shares. For purposes of these *pro forma* financial effects, it is assumed that 100% of SIBEMT Beneficiaries elect Option 2 on the vesting of their shares and all of the rights vest during this period (no IFRS 2 charge will be recorded if SIBEMT Beneficiaries elect Options 1 or 3).	(1)

	(R'm)
On an annual basis an IFRS 2 expense will be recognised over the remaining vesting period with a corresponding increase in the share-based payment liability of the unvested awards of SIBEMT Beneficiaries who are expected to elect Option 2. The *pro forma* financial effects do not reflect such an expense.	(1)
(b) A once-off IFRS 2 expense arising due to the modification of the terms and conditions on the SIBEMT options granted by Sun International pursuant to the Restructure which provides SIBEMT with the right to receive cash after vesting of the original awards.	(1)
(c) A once-off IFRS 2 expense arising from NWCDT having the right to require Dinokana to repurchase their Dinokana Shares for cash after the expiry of the five year lock in period in terms of their already elected Option 3.	(5)
IFRS 2 share-based payment expense and corresponding share-based payment reserve.	(7)

On initial recognition, being the date on which the Restructure is implemented, the IFRS 2 charge will be measured at fair value using a fair value forward price with a corresponding IFRS 2 share-based payment reserve recognised against ordinary shareholders' equity. The awards are then modified to a cash settled share based payment award. The assumptions used in this model for purposes of the *pro forma* financial effects include:

(a) and (b) SIBEMT

- a Sun International Share price of R131 per share and a forward value of Sun International Shares of R133 per share as at 30 September 2015;
- a dividend yield of 2.1% during the term of the option; and
- discount rate of 10%.

(b) NWCDT

- the current net asset value in the Dinokana structure is assumed to be the intrinsic value; and
- no effect of a trickle dividend on the value of the Dinokana structure.

		(R'm)
2.3	Relates to the decrease in interest expense due to the redemption of the Dinokana Preference Shares, based on the interest charge for the six months ended 31 December 2014.	21
2.4	Relates to the change in Sun International Shares in issue, as follows:	

	(R'm)
Increase in the number of Sun International Shares in issue due to the assumed issue of Treasury Shares by Sun International to fund the subscription for Dinokana Shares.	4 040
Increase in the number of Sun International Shares in issue due to the assumed issue of Treasury Shares by Sun International to fund the subscription for the New Preference Shares.	310
Increase in the number of Sun International Shares in issue due to the issue of Sun International Shares issued in terms of the Specific Issue.	556
Net effect on number of shares	4 906
Increase in Treasury Shares added back for adjusted EPS calculation due to Sun International acquiring a controlling shareholding in Dinokana.	(4 638)
Net effect on number of shares for adjusted EPS and HEPS	268

The increase in the weighted average and weighted diluted average number of shares in issue is due to the sale of the Treasury Shares into the market. The acquisition of Dinokana Shares however, does not result in an increase Treasury Shares as Dinokana prior to the Restructure was treated as a subsidiary in terms of IFRS and as a consequence the Sun International Shares held by Dinokana were treated as deemed treasury shares. This is despite Sun International not holding an actual interest in Dinokana prior to the Restructure.

All effects are of a recurring nature except where otherwise noted.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT

"27 February 2015

The Board of Directors
Sun International Limited
6 Sandown Valley Crescent
Sandown, Sandton
2196

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

INTRODUCTION

Sun International Limited ("Sun International" or "the Company") is issuing a circular to its shareholders ("the Circular") regarding the proposed restructuring of Sun International's original black economic empowerment deal entered into during 2005, which includes the specific issue of Sun International shares to Sun International Locked in Shareholders as well as the general issue of Sun International Shares for cash as part of the restructure (collectively the "Restructure").

At your request and for the purposes of the Circular to be dated on or about 3 March 2015, we present our reasonable assurance report on the compilation of the *pro forma* financial information of Sun International by the directors. The *pro forma* financial information, presented in paragraph 12 and Annexure II to the Circular, consists of the *pro forma* statement of financial position as at 31 December 2014, the *pro forma* statement of comprehensive income for the six months ended 31 December 2014 and the *pro forma* financial effects ("the *Pro forma* Financial Information"). 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 Restructure on the Company's reported financial position as at 31 December 2014, and the Company's financial performance for the six months then ended, as if the Restructure had taken place at 31 December 2014 and for the six months then ended, respectively. 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 published unaudited profit and cash dividend announcement for the six months ended 31 December 2014.

DIRECTORS' RESPONSIBILITY

The Directors of Sun International are responsible for the compilation, contents and presentation of the *Pro forma* Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 12 and Annexure II of the Circular. The Directors of Sun International are also responsible for the financial information from which it has been prepared.

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 circular 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 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 12 and Annexure II of the Circular.

PricewaterhouseCoopers Inc.
Director: ER MacKeown
Registered Auditor

Sunninghill"

Sun International Limited
(Incorporated in the Republic of South Africa)
(Registration number 1967/007528/06)
Share code: SUI ISIN: ZAE000097580
("**Sun International**" or "**the Company**")

NOTICE OF GENERAL MEETING

Capitalised terms used in this Notice of General Meeting and the resolutions but not otherwise defined will have the meanings given to them in the Circular.

Notice is hereby given that a General Meeting of Shareholders of Sun International will be held at The Maslow Hotel, 146 Rivonia Road, Sandton, Gauteng, South Africa, on 31 March 2015 at 10:00 to, among other things, consider, and if deemed fit, to pass (with or without modification) the ordinary resolutions and special resolutions set out below. The record date for determining which Shareholders are entitled to: (i) receive notice of the General Meeting is 20 February 2015 and (ii) participate in and vote at the General Meeting is 20 March 2015, in terms of section 62(3)(a), as read with section 59 of the Companies Act, 2008 (Act 71 of 2008) ("Companies Act").

ORDINARY RESOLUTION NUMBER 1 – General authority to sell Treasury Shares

"It is resolved as an ordinary resolution that the directors are hereby authorised by way of a general authority, to sell Treasury Shares for cash in relation to and as required for the Restructure and subject to the following limitations:

- any such sale will be made only to public shareholders;
- the number of Treasury Shares sold for cash, together with the number of Sun International Shares issued under any general authority granted to the directors, shall not in the aggregate in any one financial year exceed 15% of the Company's issued shares, being an equivalent of 17.12 million Sun International Shares;
- this authority will be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date that this authority is given; and
- in determining the price at which a sale of Treasury Shares may be made in terms of this authority, the maximum discount permitted will be a discount of 10% to the weighted average traded price on the JSE at which the Sun International Shares trade over the 30 (thirty) Business Days prior to the date that the price of the sale is determined."

Percentage of voting rights required for the adoption of ordinary resolution number 1:

In terms of paragraph 5.75 of the Listings Requirements, a sale of treasury shares must be approved as if it was a fresh issue of securities for cash. In terms of paragraph 5.52 of the Listings Requirements, ordinary resolution 1 must be approved by a 75% majority of the votes cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

ORDINARY RESOLUTION NUMBER 2 – Specific authority to sell Treasury Shares

"It is resolved as an ordinary resolution that the Company is authorised to sell or exchange a maximum of 1.00 million Treasury Shares, in the case of a sale, by selling such Treasury Shares to the Sun International Locked in BEE Shareholders at a value equivalent to the VWAP of Sun International Shares traded on the JSE measured over 30 (thirty) Business Days prior to the relevant Closing Date, and in the case of an exchange, by exchanging such Treasury Shares for Dinokana Shares held by SIBEMT Shareholders electing Option 2 at a ratio determined in terms of the Restructure Agreement."

Percentage of voting rights required for the adoption of ordinary resolution number 2:

In terms of paragraph 5.75 of the Listings Requirements, a sale of treasury shares must be approved as if it was a fresh issue of securities for cash. In terms of paragraph 5.51 of the Listings Requirements, ordinary resolution 2 must be approved by a 75% majority of the votes cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

ORDINARY RESOLUTION NUMBER 3 – Authority to sell Treasury Shares for cash as required to settle the Dinokana Locked in Shareholders who call for Dinokana to acquire their Dinokana Shares under Option 3

"It is resolved as an ordinary resolution that the directors are hereby authorised by way of a general authority, to procure the sale by Dinokana of up to a maximum of 1.80 million Treasury Shares for cash as required to raise the requisite funds to repurchase the Dinokana Shares held by Dinokana Locked in Shareholders who, post the five year lock in period in terms of Option 3, call on Dinokana to repurchase their Dinokana Shares, as contemplated in paragraph 7.1.6.2 of the Circular, and subject to the following limitations:

- any such sale will be made only to public shareholders;
- the number of Treasury Shares sold for cash, together with the number of Sun International Shares issued under any general authority granted to the directors, shall not in the aggregate in any one financial year exceed 15% of the Company's issued shares, being, at the Last Practicable Date, the equivalent of 17.12 million Sun International Shares;
- in determining the price at which a sale of shares may be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price on the JSE of the shares over the 30 (thirty) Business Days prior to the date that the price of the sale is determined; and
- any further requirements or authorities in terms of the Companies Act and Listings Requirements."

Percentage of voting rights required for the adoption of ordinary resolution number 3:

In terms of paragraph 5.75 of the Listings Requirements, a sale of treasury shares must be approved as if it was a fresh issue of securities for cash. In terms of paragraph 5.52 of the Listings Requirements, ordinary resolution 3 must be approved by a 75% majority of the votes cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

ORDINARY RESOLUTION NUMBER 4 – Approval of the Restructure

"It is resolved as an ordinary resolution that the Restructure to the Original BEE Transaction and the detailed terms and conditions of the Restructure Agreement as described in the Circular be and are hereby ratified and approved."

Percentage of voting rights required for the adoption of ordinary resolution number 4:

Ordinary resolution 4 must be approved by a simple majority (that is, more than 50%) of the voting rights cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

ORDINARY RESOLUTION NUMBER 5 – Authority for the Directors or company secretary to implement ordinary resolutions number 1, 2, 3 and 4, and special resolutions number 1,2, and 3

"It is resolved as an ordinary resolution that any director of the Company or the company secretary be and is hereby authorised to do all such things and sign all such documents as may be required to give effect to the Restructure and the Specific Repurchase."

Percentage of voting rights required for the adoption of ordinary resolution number 5:

Ordinary resolution 5 must be approved by a simple majority (that is, more than 50%) of the voting rights cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

SPECIAL RESOLUTION NUMBER 1 – Grant of rights to Lereko, Mr MV Moosa and Dr NN Gwagwa

"It is resolved as a special resolution that, in terms of section 41 of the Companies Act, the Company is authorised to grant the rights under the Restructure to Lereko, Mr MV Moosa and Dr NN Gwagwa which are exercisable for Sun International Shares pursuant to the authorities given under ordinary resolutions numbers 1, 2, 3 and 4."

Percentage of voting rights required for the adoption of special resolution number 1:

Special resolution 1 must be approved by a 75% majority of the votes cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

The reason for and effect of special resolution number 1 is to authorise the Company to grant rights which are exercisable for Sun International Shares to Lereko, Mr MV Moosa and Dr NN Gwagwa who falls within the categories contemplated in section 41(1) of the Companies Act.

SPECIAL RESOLUTION NUMBER 2 – Loans or other financial assistance to Dinokana

"It is resolved as a special resolution that, to the extent that all or any part of the Restructure or its implementation constitutes or gives rise to the granting by the Company of financial assistance as contemplated in sections 44 and/or 45 of the Companies Act, the provision of such financial assistance be and is hereby authorised by way of special resolution in terms of sections 44(3)(a)(ii) and 45(3)(a)(ii) of the Companies Act respectively, on the terms and conditions and for the amounts that the Board may determine from time to time."

Percentage of voting rights required for the adoption of special resolution number 2:

Special resolution 2 must be approved by a 75% majority of the votes cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

The reason for and effect of special resolution number 2 is to authorise the Company to provide direct or indirect financial assistance to Dinokana in connection with the Restructuring.

The inclusion of special resolution number 2 is to approve the direct or indirect financial assistance to be provided by Sun International pursuant to the Restructure which falls within the categories of financial assistance contemplated in sections 44 and 45 of the Companies Act.

SPECIAL RESOLUTION NUMBER 3 – Specific Repurchase of Treasury Shares

"It is resolved as a special resolution that the Company be and is hereby authorised, by way of a specific authority, in accordance with the Listings Requirements and its Memorandum of Incorporation, to acquire up to a maximum of 5.50 million Sun International Shares currently owned by Sun International Investments for a consideration equal to the 30 Business Day VWAP for Sun International Shares."

Once the specific repurchase has been completed, the Sun International Shares acquired from the above parties will be cancelled and restored to the authorised, but unissued, share capital of the Company.

Percentage of voting rights required for the adoption of special resolution number 3:

Special resolution 3 must be approved by a 75% majority of the votes cast by Sun International Shareholders present in person or by proxy or represented at the General Meeting.

The reason for and effect of special resolution number 3 is, subject to the fulfilment and/or waiver of the Conditions Precedent of the Specific Repurchase, to authorise the Company to implement a repurchase in terms of the Listings Requirements of 5.50 million Sun International Shares currently owned currently owned by Sun International Investments for a consideration equal to the 30 Business Day VWAP for Sun International Shares. The effect of the passing and implementation of the special resolution is that the Company may repurchase up to 5.50 million Sun International Shares.

The Directors have considered the impact of the Specific Repurchase contemplated in this resolution and are of the opinion that the provisions of section 4 and section 48 of the Companies Act have been complied with, and:

- in terms of section 46(1)(a)(ii) of the Companies Act, the Board has, by resolution, authorised the Specific Repurchase;
- in terms of section 46(1)(b) of the Companies Act, it reasonably appears that the Company will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase; and
- in terms of section 46(1)(c) of the Companies Act and paragraph 5.69(b) of the Listings Requirements, the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that the Company will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase, and since the test was performed there have been no material changes to the financial position of the Sun International Group.

Statement in terms of section 62(3)(e) of the Companies Act:

Sun International Shareholders holding certificated shares and Sun International Shareholders holding Sun International Shares in dematerialised form in "own name":

- may attend and vote at the General Meeting; alternatively
- may appoint an individual as a proxy *(blue)* (who need not also be a Shareholder of Sun International) to attend, participate in and speak and vote in your place at the General Meeting by completing the attached form of proxy *(blue)* and returning it to the registered office of Sun International or to the transfer secretaries, by no later than 10:00 on 27 March 2015. Alternatively, the form of proxy may be handed to the chairman of the General Meeting at the General Meeting at any time prior to the commencement of the General Meeting. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please also note that the attached form of proxy must be delivered to the registered office of Sun International or to the transfer secretaries or handed to the chairman of the General Meeting, before your proxy may exercise any of your rights as a Sun International Shareholder at the General Meeting.

Please note that any Shareholder of Sun International that is a company may authorise any person to act as its representative at the General Meeting. Please also note that section 63(1) of the Companies Act requires that persons wishing to participate in the General Meeting (including the aforementioned representative) must provide satisfactory identification before they may so participate.

Notice to owners of dematerialised shares:

Please note that if you are the owner of dematerialised shares held through a CSDP or broker (or their nominee) and are not registered as an "own name" dematerialised Shareholder then you are not a registered Sun International Shareholder, but your CSDP or broker (or their nominee) would be.

Accordingly, in these circumstances, subject to the mandate between yourself and your CSDP or broker as the case may be:

if you wish to attend the General Meeting you must contact your CSDP or broker, and obtain the relevant letter of representation from it; alternatively

if you are unable to attend the General Meeting but wish to be represented at the General Meeting, you must contact your CSDP or broker, and furnish it with your voting instructions in respect of the General Meeting and/or request it to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, within the time period required by your CSDP or broker.

CSDP's, brokers or their nominees, as the case may be, recorded in the Sun International's sub-register as holders of dematerialised shares should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the General Meeting or by completing the attached form of proxy *(blue)* in accordance with the instructions thereon and returning it to the registered office of the Sun International or to the transfer secretaries, by no later than 10:00 on 27 March 2015. Alternatively, the form of proxy may be handed to the chairman of the General Meeting at the General Meeting at any time prior to the commencement of the General Meeting.

Voting at the General Meeting:

In order to more effectively record the votes and give effect to the intentions of Shareholders, voting on all resolutions will be conducted by way of a poll.

RELATED PARTIES

In terms of the of the Listings Requirements, the votes of related parties and their respective associates will be taken into account in determining whether a quorum of Shareholders is present at the General Meeting, but such votes will not be taken into account in determining the result of the voting procedure at the General Meeting in relation to special resolution number 1 and special resolution number 3.

Electronic participation in the General Meeting:

Sun International intends to make provision for Sun International Shareholders, or their proxies, to participate in the General Meeting by way of electronic communication. In this regard, Sun International intends making a dial-in facility available that will be linked to the venue at which the General Meeting will take place, on the date of, and from the time of commencement of, the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting.

Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to Sun International at 6 Sandown Valley Crescent, Sandown, Sandton, Gauteng, South Africa (marked for the attention of CA Reddiar, Company Secretary) or email at chantel.reddiar@suninternational.com by no later than 27 March 2015 that they wish to participate via electronic communication at the General Meeting (the "Electronic Notice").

In order for the Electronic Notice to be valid it must contain: (a) if the Shareholder is an individual, a certified copy of his/her identity document and/or passport; (b) if the Shareholder is not an individual, a certified copy of a resolution or letter of representation by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. The authority resolution must set out who from the relevant entity is authorised to represent the entity at the General Meeting via electronic communication; and (c) a valid e-mail address and/or facsimile number (the "Contact Address/Number").

By no later than 24 (twenty-four) hours before the General Meeting Sun International shall use its reasonable endeavours to notify a Shareholder at its Contact Address/Number who has delivered a valid Electronic Notice of the relevant details through which the Shareholder can participate via electronic communication.

Should you wish to participate in the General Meeting by way of electronic communication as aforesaid, you will be required to dial-in on the date of the General Meeting. The dial-in facility will be linked to the venue at which the General Meeting will take place on the date of, and from the time of commencement of, the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting.

Shareholders participating in this manner will still have to appoint a proxy to vote on their behalf in person at the General Meeting.

By order of the Board

GE Stephens
Chief Executive

3 March 2015

Registered office:

6 Sandown Valley Crescent
Sandown
Sandton, 2031
(PO Box 782121, Sandton, 2146)

Transfer Secretaries
Postal address:

Computershare Investor Services Proprietary Limited
PO Box 61051, Marshalltown 2107
Gauteng, South Africa

Delivery address:

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street
Johannesburg, 2001
Gauteng, South Africa

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Sun International Limited

(Incorporated in the Republic of South Africa)
(Registration number 1967/007528/06)
Share code: SUI
ISIN: ZAE000097580

FORM OF PROXY – GENERAL MEETING (*BLUE*)

For use by Certificated Shareholders or Dematerialised Shareholders with Own-name Registration at the General Meeting to be held at 10:00 on 31 March 2015 at the Maslow Hotel, 146 Rivonia Road, Sandton, 2196, Gauteng.

The definitions and interpretations commencing on page 5 of the Circular to which this form of proxy is attached also apply to this form of proxy.

If Shareholders have dematerialised their shares with a CSDP or Broker, other than with Own-name Registration, they must arrange with the CSDP or Broker to provide them with the necessary letter of representation to attend the General Meeting or the Shareholder must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the Shareholder and the CSDP or Broker, in the manner and cut-off time stipulated therein.

Please read the notes on the reverse hereof carefully, which, amongst other things, set out the rights of Shareholders in terms of section 58 of the Companies Act with regard to the appointment of proxies.

For the General Meeting

I/We (Name/s in block letters) ______________________________

Of (Address in block letters) ______________________________

____

Telephone number ______________ Mobile phone number ______________

Email address ______________________________

being a Shareholder of Sun International and holding shares in Sun International, and entitled to vote, do hereby appoint (refer to note 1 at the end of this form of proxy):

______________________________ or, failing him/her, the Chairman of the General Meeting as my/our proxy(ies) to vote on a poll on my/our behalf at the General Meeting to be held at 10:00 on 31 March 2015 at the Maslow Hotel, 146 Rivonia Road, Sandton, 2196, Gauteng and at any postponement or adjournment thereof.

Please indicate with an "X" in the spaces below how you wish your proxy to vote in respect of the resolution to be proposed, as contained in the notice of the abovementioned General Meeting.

*I/We desire my/our proxy to vote on the resolution to be proposed, as follows:

	For	Against	Abstain
ORDINARY RESOLUTION 1 – General authority sell Treasury Shares			
ORDINARY RESOLUTION 2 – Specific authority to sell Treasury Shares			
ORDINARY RESOLUTION NUMBER 3 – Authority to sell Treasury Shares for cash as required to settle the Dinokana Locked in Shareholders who call for Dinokana to acquire their Dinokana Shares under Option 3			
ORDINARY RESOLUTION NUMBER 4 – Approval of the Restructure			
ORDINARY RESOLUTION NUMBER 5 – Authority for the Directors or company secretary to implement ordinary resolutions number 1, 2, 3 and 4, and special resolutions 1, 2 and 3			
SPECIAL RESOLUTION NUMBER 1 – Grant of rights to Lereko, Mr MV Moosa and Dr NN Gwagwa			
SPECIAL RESOLUTION NUMBER 2 – Loans or other financial assistance to Dinokana			
SPECIAL RESOLUTION NUMBER 3 – Specific Repurchase of Treasury Shares			

Signed by me/us this ______________ day of ______________ 2015

Signature ______________________________

Assisted by me (where applicable) (see note 12 on reverse of this form of proxy) ______________________________

Full name/s of signatory if signing in a representative capacity (see note 11 on reverse of this form of proxy) ______________________________

* *If this form of proxy is returned without any indication of how the proxy should vote, the proxy will exercise his/her discretion both as to how he/she votes and as to whether or not he/she abstains from voting.*

Notes

1. A Shareholder entitled to attend and vote at the abovementioned meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in his/her stead or abstain from voting. The proxy need not be a member of Sun International.
2. 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.
3. The completion and lodging of this form of proxy will not preclude the relevant 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 Shareholder wish to do so. Accordingly, the appointment of a proxy in terms hereof 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.
4. A proxy is entitled to exercise, or abstain from exercising, any voting right of the Shareholder without direction, except to the extent that the voting instructions are set out in the relevant section of the form of proxy.
5. The appointment of a proxy shall remain valid until the end of the meeting contemplated in this appointment (including in respect of any adjournment or postponement of the General Meeting), unless revoked in the manner contemplated in note 6 below.
6. A 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 Sun International. 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 (i) the date stated in the revocation instrument, if any, or (ii) the date on which the revocation instrument was delivered to Sun International.
7. Please insert the number of Sun International Shares, as the case may be, in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of Sun International Shares, as the case may be, exercisable by you, insert the number of Sun International Shares, as the case may be, held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise and compel the chairman, if the chairman is an authorised proxy, to vote in favour of the resolution, or to authorise any other proxy to vote for or against the resolution or abstain from voting as he/she deems fit, in respect of all the Shareholder's votes exercisable thereat. A Shareholder or its/his/her proxy is not obliged to use all the votes exercisable by the Shareholder or its/his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or its/his/her proxy.
8. To be valid, this form of proxy must be completed and returned to Sun International 's Transfer Secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by not later than 10:00 on 27 March 2015.
9. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
10. In the case of a joint holding, the first-named only is required to sign.
11. The authority of a person signing a proxy in a representative capacity must be attached to the form of proxy unless that authority has already been recorded by Sun International.
12. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian as applicable, unless the relevant documents establishing capacity are produced or have been registered with the Transfer Secretaries.
13. If the instrument appointing a proxy or proxies has been delivered to Sun International, as long as that appointment remains in effect, any notice that is required by the Companies Act or Sun International's MOI to be delivered by Sun International to the Shareholder must be delivered by Sun International to (i) the Shareholder or (ii) the proxy or proxies, if the Shareholder has directed Sun International in writing to do so and paid any reasonable fee charged by Sun International for doing so.