

CAP MED HOLDINGS LIMITED

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CIRCULAR **To whom it may concern**

Dear shareholder

Some time has elapsed since the first announcement regarding the major transaction between First Wealth Holdings Ltd and the shareholders of Capmed (resulting in a “reverse takeover” and listing on the JSE).

The reasons are threefold:

1. Some of the assets previously acquired by First Wealth were not compatible with those provided by Capmed and associates Extensive negotiations were required to reach a settlement acceptable to all.
2. Simultaneously First Wealth/Capmed obtained access to assets of substantial value (the health and diamond joint venture in Angola, the Bengwanyama platinum project in Mpumalanga).

The negotiations required time, money and effort, but the key contracts have been signed and the supporting competent person’s reports are being drafted.

The latter is a requisite for the registration of a prospectus with CIPC to allow Capmed to place shares with the public.

3. The listings requirements for audits and consolidated financial statements are far stricter than normal commercial guidelines and Capmed and subsidiaries had to have all such documents for all the financial years up to February 2018 reviewed by outside auditors.

A time-line in this regard will be issued as soon as possible.

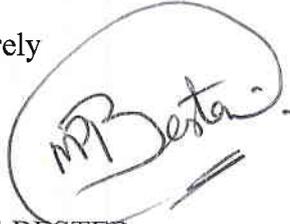
The directors of Capmed must also point out that the negotiations, audits and listing process all require additional funding. These were to date borne by the board and one or two senior shareholders.

Since the board, finally, is of the view that the capitation based medical scheme model is the only realistic alternative to the proposed state-run national health insurance (which could be disastrous for the whole medical industry)

extraordinary steps will be taken to expedite the listing and the implementation of the capitation model.

More news will follow in August.

Yours sincerely

A handwritten signature in black ink that reads "M.P. Bester". The signature is enclosed within a hand-drawn circle.

MARTIENS BESTER
(Managing director)

