Vukile Property Fund Limited
(Incorporated in the Republic of South Africa)
(Registration number 2002/027194/06)
JSE Share code: VKE ISIN: ZAE000056370
NSX Share code: VKN
("Vukile" or "the Company")

UPDATE REGARDING THE CALL OPTION GRANTED BY SANLAM LIFE INSURANCE LIMITED ("SANLAM LIFE") TO VUKILE

Vukile linked unitholders are referred to the circular dated 26 November 2009 in which details of the call option ("the Call Option") agreement entered into between Sanlam Life and Vukile ("the Agreement") to acquire certain properties valued at approximately R500 million were provided.

As referred to in the commentary to the interim results published on 22 November 2010, the Call Option expires on 31 December 2010. Accordingly, in terms of the provisions of the Agreement, Vukile has exercised the option by delivering a written notice ("the First Option Exercise Notice") to Sanlam Life today, specifying that Vukile is interested in acquiring the properties which are the subject of the Agreement ("the Option Assets").

Further to the First Option Exercise Notice, Sanlam Life is to provide Vukile with a value for the Option Assets based on their internal valuation methodologies and the value provided by an independent valuer ("the Valuation"), which Valuation will be the proposed purchase consideration for the Option Assets. Upon receipt and assessment of the Valuation, Vukile may, at its sole discretion, elect to continue with the exercise of the Call Option by delivering a second option exercise notice to Sanlam Life, at which stage Vukile will be entitled to acquire the Option Assets.

Linked unitholders will be informed of further developments pertaining to the Call Option in due course.

Johannesburg
31 December 2010

JSE sponsor: Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited
NSX sponsor: IJG Securities (Proprietary) Limited