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26 August 2019

Dear Investor

This letter is important and requires your immediate attention.

Proposed merger (amalgamation) of unit trust funds

We request that you participate in a ballot on a proposed change that affects one or more of the unit trust funds in which you are invested, as we intend to merge a number of our portfolios. Please read this letter to understand the proposed change, and then vote accordingly. Your ballot form must reach our auditors by **15 October 2019** at the latest for your vote to be counted.

If you do not vote, legislation states that you are considered to have voted in favour of the merger.

Proposed merger

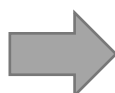
We propose to merge **the following Old Mutual unit trust funds** into the **Old Mutual Equity Fund (the continuing unit trust fund)**:

- **Old Mutual Mining and Resources Fund**
- **Old Mutual Gold Fund**

If the ballot is successful, these unit trust funds will merge with effect **31 October 2019** as outlined below.

Terminating Unit Trust Funds

Old Mutual Mining and Resources Fund
Old Mutual Gold Fund



Continuing Unit Trust Fund

Old Mutual Equity Fund

The reason for the proposed merger and its implications are explained in this letter.

We urge you to read these carefully and reach an informed decision.

Your rights as an investor and actions required

The rights of investors are firmly entrenched in the Collective Investment Schemes Control Act (CISCA), the Main Scheme Deed and the Trust Deed of each portfolio. As an investor in one or more of these unit trust portfolios, you must be given an opportunity to vote in favour of, or against, the proposed merger in terms of section 99 of CISCA.

If you do not exercise a vote, it will be deemed that you have voted 'yes'.

The merger will not trigger Capital Gains Tax (CGT) unless you switch or sell.

If you are uncomfortable with the proposed merger, you may switch your investments to any Old Mutual Unit Trusts portfolio at no switching cost, provided we receive switching instructions by **23 October 2019** for the latest.



If you are uncomfortable with the proposal and do not wish to switch your investments to any of Old Mutual's unit trust funds, you may sell your investment at any time and withdraw your funds at the net asset value price, as defined in the relevant Trust Deed.

A switch or sale of investments will constitute a CGT event, for which you may be liable to pay CGT at your next income tax assessment.

If this ballot receives investor approval the proposed mergers will automatically apply to your investments, unless you choose to switch or sell them before the merger.

Recommendation

We recommend that you vote in favour of this merger, as we believe it is in your best interest.

Immediate action required

Please complete and sign the enclosed ballot form and return it to our auditors, KPMG, by no later than midnight on

15 October 2019 to:

- Email: OM-ballot@kpmg.co.za
- Fax: 0100016659
- Mail (free post): KPMG Incorporated, Business Reply Service Licence No. CB 11396
Cape Town 8000

Please note all ballots date stamped on or before 15 October 2019 will be accepted for three days after the cut-off date for audit purposes.

An independent auditor will verify the outcome of the ballot.

Effective date

The effective date of the proposed merger will be **31 October 2019**, provided that the necessary consent is obtained from investors and the Authority of Collective Investment Schemes at the Financial Services Conduct Authority.

Contact us

If you have any questions about these changes or any of the other unit trust funds available to you, you may contact your financial adviser or our Unit Trust Client Service Centre by sending an email to unittrusts@oldmutual.com or calling 0860 234 234.

Kind regards

Deon Wessels
Head of Linked Funds



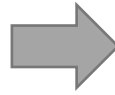
Background and fund details

Please refer to your latest transaction statement, as you are invested in one or more of the following unit trust funds as at 23 August 2019:

Terminating Funds

Old Mutual Mining and Resources Fund

Old Mutual Gold Fund



Continuing Fund

Old Mutual Equity Fund

Background

Old Mutual Unit Trust Managers (RF) (Pty) Limited endeavours to, where possible, reduce the number of funds in our range to make it easier for our clients to do business with us by simplifying their investment decision.

Old Mutual Unit Trusts identified a lack of demand, for several of our equity funds. We also identified that a large percentage of flows into some of these funds were of a cyclical nature and not necessarily targeting a long-term investment horizon.

Old Mutual Unit Trusts therefore made a strategic decision to close several of our equity funds in order to better position the investment manager to focus on its core range of funds. In this regard, Old Mutual Unit Trusts recently successfully concluded an amalgamation of a number of our sector funds into the Old Mutual Equity Fund.

Old Mutual Unit Trusts now proposes to merge two additional Old Mutual equity funds into the Old Mutual Equity Fund. The proposed merger will result in current investors in the terminating funds becoming investors in the continuing Old Mutual Equity Fund on 31 October 2019 should the ballot be successful..

We believe that the Old Mutual Equity Fund is a suitable long-term investment vehicle given that its equity exposure is diversified across South African and Global equity securities.



Important unit trust fund information

Investment policy of affected funds

Old Mutual Mining and Resources Fund	Old Mutual Gold Fund	Old Mutual Equity Fund (continuing fund)
<p>3.1 In selecting securities for this portfolio the manager shall seek to provide an investment medium for investors which shall have as its main objectives steady growth of income and capital, a reasonable level of current income and the maximum stability for capital invested primarily in financially sound mining and resource orientated securities.</p>	<p>3.1 In selecting securities for this portfolio the manager shall seek to achieve an investment medium for investors which shall have as its main objectives steady growth of income and capital, a reasonable level of current income and the maximum stability for capital invested primarily in financially sound Gold and Mining financial securities.</p>	<p>3.1 The OLD MUTUAL EQUITY FUND will be a domestic general equity portfolio. In selecting securities for this portfolio, the Manager shall seek to achieve an investment medium for investors which shall have as its main objective high long term capital growth by primarily investing in shares across all sectors of the South African and international stock market. The exposure to South African shares will focus predominantly on the top 100 shares by market capitalisation as listed on the JSE All Share Index (J203).</p>
<p>3.2 To achieve this objective, the securities normally to be included in the portfolio will consist of financially sound ordinary shares and also non-equity securities embracing Government and Government guaranteed non-equity securities, stock, financially sound preference shares, debenture stock, debenture bonds and unsecured notes, all to be acquired at fair market prices.</p>	<p>3.2. To achieve this objective, the securities normally to be included in the portfolio will consist of financially sound ordinary shares and also non-equity securities, embracing Government and Government guaranteed securities, stock, financially sound preference shares, debenture stock, debenture bonds and secured notes, all to be acquired at fair market prices.</p>	<p>3.2 In order to achieve the portfolio's investment objectives, the OLD MUTUAL EQUITY FUND may have exposure to listed and unlisted equity securities, listed and unlisted non-equity securities, listed and unlisted property securities, assets in liquid form and other listed and unlisted securities as may be allowed by the Act from time to time.</p>
<p>3.3 Nothing in this deed shall preclude the Manager from varying the ratios of securities and assets in liquid form, in terms of changing economic factors or exchange conditions and from retaining cash or placing cash on deposit in terms of the deed, provided that the Manager shall ensure that the aggregate value of the assets comprising the portfolio shall consist of securities and assets in liquid form of the aggregate value required from time to time by the Act.</p>	<p>3.3 Nothing in this supplemental Deed shall preclude the Manager from varying the ratios of securities, in terms of changing economic factors or exchange conditions and from retaining cash or placing cash in deposit in terms of the Deed and this Supplemental Deed, provided that the manager shall ensure that the aggregate value of assets comprising the portfolio shall consist of non-equity securities and assets in liquid form of the aggregate value required from time to time by the act.</p>	<p>3.3 The portfolio will be permitted to invest in foreign investment markets to the extent of the industry limit from time to time for South African portfolios, as legislation permits.</p>



<p>3.4 The portfolio may from time to time include participatory interests or any other form of participation in portfolios of collective investment schemes or other similar schemes registered in the Republic of South Africa, or of participatory interests or any other form of participation in portfolios of collective investment schemes or other similar schemes operated in territories other than South Africa, with a regulatory environment which is to the satisfaction of the manager and the trustee of a sufficient standard to provide investors protection at least equivalent to that in South Africa.</p>	<p>3.4 The Trustee shall ensure that the investment policy set out in this Supplemental Deed is carried out.</p>	<p>3.4 The portfolio may from time to time include participatory interests or any other form of participation in portfolios of collective investment schemes or other similar schemes registered in the Republic of South Africa, whether listed on an exchange or not, or of participatory interests or any other form of participation in portfolios of collective investment schemes or other similar schemes operated in territories other than South Africa, whether listed on an exchange or not, subject to the requirements of the Act and Notices issued there-under, as may change from time to time.</p>
<p>.</p>		<p>3.5 The Manager will be permitted to invest on behalf of the Old Mutual Equity Fund in listed and unlisted derivatives for efficient portfolio management purposes and as allowed by the act from time to time</p>
		<p>3.6 Nothing in this supplemental Deed shall preclude the Manager from varying the ratios of securities, to maximise capital growth and investment potential in a changing economic environment or market conditions or to meet the requirements, if applicable, of any exchange and from retaining cash or placing cash on deposit in terms of the Deed and this Supplemental Deed, provided that the Manager shall ensure that the aggregate value of the assets comprising the portfolio shall consist of assets of the aggregate value required from time to time by the Act.</p>
		<p>3.7 For the purpose of this portfolio, the Manager shall reserve the right to close the portfolio to new investors on a date determined by the Manager. This will be done in order to be able to manage the portfolio in accordance with its mandate. The Manager may, once a portfolio has been closed, open that portfolio again to new investors on a date determined by the Manager.</p>
		<p>3.8 The Trustee shall ensure that the investment policy set out in this Supplemental Deed is carried out.</p>
		<p>3.9 The underlying securities held by this portfolio will never be a mirror of any other existing portfolio of the Manager from a portfolio construction and asset allocation perspective.</p>



Other fund information

	Old Mutual Mining and Resources Fund	Old Mutual Gold Fund	Old Mutual Equity Fund
Investment Objective	The fund aims to offer superior returns over the medium to longer term by investing in mining and resources companies showing above average prospects for long-term capital growth.	The fund aims to offer superior returns over the medium to longer term through investment in the shares of companies involved in gold and other precious metals.	The fund aims to offer long-term capital growth through investing in a broad spectrum of South African and international shares.
Benchmark	ASISA Category Average	70% FTSE/JSE Gold Mining Index and 30% FTSE Gold Mines Index Series	ASISA Category Average
ASISA Category	South African – Equity – Resources	Worldwide – Equity – Unclassified	South African – Equity – General
Distributions	Half Yearly	Half Yearly	Half Yearly
Foreign Exposure	Yes	Yes	Yes
Service Fees	A – 1.25% B1 – 0.85% R – 1%	A – 1.50% B1 – 1.10% R – 1.00%	A – 1.35% B1 – 1.00% R – 1.00%
Total Expense Ratio (TER) 12 month	A – 1.46% B1 – 1.00% R – 1.17%	A – 1.79% B1 – 1.33% R – 1.21%	A – 1.82% B1 – 1.44% R – 1.42% (estimate)
Risk Profile	High	High	Moderate to High

Special Distributions

A **special distribution** will take place for all the terminating funds and the continuing Old Mutual Equity Fund on **30 October 2019**.

The distribution will be a final distribution in the terminating funds. The Old Mutual Equity Fund's distribution dates will revert to the Fund's formal distribution dates after the amalgamation.

Fees and Classes

Initial fees

Initial fees are normally payable when making a new investment into a fund and are deducted from the investment amount before units are bought. Initial adviser fees of between 0% and 3.45% as agreed between individual clients and their respective advisers will not be impacted by the proposed merger and will therefore remain unchanged.

Old Mutual however, does not levy any initial administration charges in any of these funds, except on debit orders below the current R500 per month minimum. Initial administration fees will also not apply to units transferred as a result of this merger. Investment transactions below the R500 minimum currently incurs a 2.30% administration charge in all of the terminating funds. From the merger date onwards, all investment transactions below the R500 minimum will incur a 2.30% administration charge in the continuing Old Mutual Equity Fund.



Annual Adviser Fees

Where this fee has been negotiated and is in place this will remain unchanged.

Annual service fees, Total Expense Ratios (TER) and distribution periods

Annual service fees are accrued daily and paid to the Management Company on a monthly basis. Other charges incurred by the unit trust funds, and deducted from its portfolio, are included in the Total Expense Ratio (TER). The TER is a historic measure and includes the annual service fee. It provides a relatively accurate picture of costs incurred by the unit trust fund over the preceding year.

The annual service fees and TER details are set out in the table below:

Pre-Amalgamation: Old Mutual Mining and Resources Fund					Post-Amalgamation: Old Mutual Equity Fund			
Class	Service Fees (excl VAT)	TER 12 month	TIC 12 month	Change to	Class	Service Fees (excl VAT)	TER 12 month	TIC 12 month
A	1.25%	1.46%	1.76%	>>	A	1.35%	1.82%	2.00%
B1	0.85%	1.00%	1.30%	>>	B1	1.00%	1.44%	1.62%
R	1.00%	1.17%	1.47%	>>	R	1.00%	1.42% estimate	1.60% estimate

Pre-Amalgamation: Old Mutual Gold Fund					Post-Amalgamation: Old Mutual Equity Fund			
Class	Service Fees (excl VAT)	TER 12 month	TIC 12 month	Change to	Class	Service Fees (excl VAT)	TER 12 month	TIC 12 month
A	1.50%	1.79%	2.19%	>>	A	1.35%	1.82%	2.00%
B1	1.10%	1.33%	1.73%	>>	B1	1.00%	1.44%	1.62%
R	1.00%	1.21%	1.61%	>>	R	1.00%	1.42% estimate	1.60% estimate

*There will be no impact on clients who pay fees outside of the fund.



Impact on you as an Investor

From an asset allocation perspective, the terminating funds are sector equity portfolios with a higher concentration risk. This means that Investors moving to the Old Mutual Equity Fund will move from a portfolio that is more specialised in terms of its equity selection, to a unit trust fund with a more diversified selection of equities with less concentration risk.

Both of the terminating funds have global equity exposure. Therefore, investors moving to the Old Mutual Equity Fund, will continue to have exposure to global equity markets.

While the primary investment objectives of both terminating funds is to provide superior returns in the form of income, the secondary objective of these funds are to provide long term capital growth. This is in line with the primary objective of the Old Mutual Equity Fund which aims to offer long-term capital growth through investing in a broad spectrum of South African and international shares.

The Old Mutual Mining and Resources Fund and the Old Mutual Gold Fund has been rated by Old Mutual as having a high risk rating, while the Old Mutual Equity Fund has a medium to high risk rating. Therefore, your investment in the continuing fund will not increase your current risk profile. We believe that moving from one or more of the terminating funds to the Old Mutual Equity Fund, will be in the best interest of our investors.

The services fees and TERs our Investors will experience in the Old Mutual Equity Fund, relative to the service fees and TERs experienced in each of the terminating funds, have been detailed in the tables above. The higher global exposure in the Old Mutual Equity Fund contributes to the higher TER that will be experienced by investors moving from the terminating funds, to the Old Mutual Equity fund going forward. The terminating funds are also concentrated funds, which hold fewer stocks than that of the Old Mutual Equity Fund. We believe that it is in the best interest of investors in the terminating funds, that this concentration risk is addressed by moving to the Old Mutual Equity Fund which is more diversified in nature.

The minimum investment amounts, initial fees and exit fees are the same for all the terminating unit trust funds as well as the continuing unit trust fund.