



GOLD REEF

C A S I N O R E S O R T S

(Incorporated in the Republic of South Africa)

(Registration number 1989/002108/06)

(Share code GDF ISIN ZAE000028338)

("GoldReef" or "the company")

PRO RATA REPURCHASE OF GOLDREEF SHARES

1. Introduction

Shareholders are referred to the announcement dated 1 November 2002 in which they were advised that the proposed pro rata repurchase by GoldReef of 8% of its issued share capital at R3,00 per share ("pro rata repurchase"), which was first proposed in the GoldReef results announcement dated 20 March 2002, would proceed as a result of the decision by a consortium including the controlling shareholders of the company not to proceed with a potential offer to acquire the assets and assume the liabilities of GoldReef.

2. Terms of the pro rata repurchase

It is proposed that, subject to the requisite resolutions being passed by shareholders in general meeting, Aldiss Investments (Proprietary) Limited, a wholly owned subsidiary of GoldReef, will offer to acquire from shareholders, pro rata to their shareholding, up to 14 235 346 shares (equivalent to 8,00000 per 100 GoldReef shares comprising 8% of the issued shares, excluding the 35 600 000 GoldReef shares issued to Casinos Austria International GmbH ("CAI") in terms of the CAI transaction as detailed in the circular sent to GoldReef shareholders on 13 September 2002) for the pro rata repurchase consideration of R3,00 per share.

The pro rata repurchase will be funded out of the company's existing cash resources and GoldReef's Board of Directors has satisfied itself as to the liquidity and solvency of GoldReef for the 12-month period following this announcement and assuming the pro rata repurchase is accepted in full.

3. Financial effects of the pro rata repurchase

Set out below are the unaudited pro forma financial effects on GoldReef, based on the interim financial results of GoldReef for the six months ended 30 June 2002 and on the assumption that the offer had been accepted in full. The unaudited pro forma financial effects have been prepared for illustrative purposes only to provide information about how the pro rata repurchase might have affected GoldReef, had it been effected on 1 January 2002 (earnings/headline earnings per share) and 30 June 2002 (tangible/net asset value per share) respectively. Because of their nature, the pro forma financial effects may not give a fair reflection of GoldReef's financial position nor the effect on income going forward. The financial information has been adjusted as described in note 2 below.

Per GoldReef ordinary share	Unaudited before ¹	Pro forma after ²	Change (%)
Net asset value at 30 June 2002	345,0	348,8	1,13
Net tangible asset value at 30 June 2002	345,0	348,8	1,13
Headline earnings per share for the six months to 30 June 2002	25,4	27,1	6,73
Earnings per share for the six months to 30 June 2002	25,4	27,1	6,73

Notes:

1. Extracted from the interim financial results of GoldReef for the six months ended 30 June 2002.
2. Adjusted to reflect the effect of the pro rata repurchase of 14 235 346 shares at R3,00 per share, totalling R42 706 038, assuming that the pro rata repurchase had been accepted in full and that the pro rata repurchase consideration had been discharged from existing cash resources which bore interest at an after tax rate of 8,925% per annum.
3. The number of GoldReef shares on which earnings and net asset value is calculated is 199 306 484 shares.

4. Salient dates and times

The salient dates and times relating to the implementation of the pro rata repurchase are as follows:

	2003
Pro rata repurchase opens from commencement of trade on Monday	6 January
Last day to lodge form of proxy for the general meeting by 10:00 on Monday	6 January
General meeting held at 10:00 (and results of general meeting released on SENS) on Wednesday	8 January
Results of general meeting published in the press on Thursday	9 January
Last date to trade in order to participate in the pro rata repurchase on Friday	24 January
Shares trade <i>ex-pro rata</i> repurchase on Monday	27 January
Last day to lodge forms of surrender to accept the pro rata repurchase on Friday	31 January

Last date to trade in order to participate in the pro rata repurchase on Friday	24 January
Shares trade <i>ex-pro rata</i> repurchase on Monday	27 January
Last day to lodge forms of surrender to accept the pro rata repurchase on Friday	31 January
Pro rata repurchase closes at 16:00 on (see note 3) Friday	31 January
Election date by 16:00 on Friday	31 January
Record date to be recorded in the register in order to participate in the pro rata repurchase on Friday	31 January
Results of the pro rata repurchase released on SENS on Monday	3 February
Safe custody accounts held with CSDP's or brokers credited and updated in respect of both the pro rata repurchase and any excess tender to dematerialised shareholders on Monday	3 February
Cheques in respect of pro rata repurchase mailed at the risk of shareholders or cash electronically transferred to certificated shareholders, on Monday	3 February
Subject to the acceptance of the directors, cheques in respect of the excess tender posted or cash electronically transferred in respect of certificated shareholders, from Monday	3 February
Results of pro rata repurchase published in the press on Tuesday	4 February
Document(s) of title in respect of excess tender not taken up by GoldReef and/or balance certificates in respect of the pro rata offer returned to shareholders concerned, by registered mail, at the risk of such shareholders, on or about Tuesday	4 February

Notes:

- Share certificates may not be dematerialised or rematerialised between Monday, 27 January 2003 and Friday, 31 January 2003, both days inclusive.
- The above dates and times are subject to amendment. Any such amendment will be published in the press and on SENS.
- Dematerialised shareholders are required to notify their duly appointed CSDP or broker of their acceptances of the pro rata repurchase in the manner and time stipulated in the agreement governing the relationship between a shareholder and his/her CSDP or broker.

5. General meeting and further documentation

A circular to GoldReef shareholders convening a general meeting to be held on Wednesday, 8 January 2003 and providing full details of the pro rata repurchase, will be posted today.

Johannesburg
17 December 2002

**Investment bank
and sponsor**



NEDCOR
INVESTMENT BANK

Attorneys



WERKSMAN'S
INCORPORATED
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