



Market Notice

Number F4790

Date 13 June 2011

Treatment of Simmer and Jack Mines Limited (SIM) Corporate Action – Unbundling 20 June 2011 (Ex. Date)

Members notice is drawn to section 13 of the JSE Derivatives Directives, the contract specifications of Individual Equity Futures and options, which states:

“13. Corporate Events

The Executive Committee reserves the right to adopt any procedure or to adjust any individual equity future or option on an individual equity future (Single Stock futures or options on Single Stock futures), in a manner it deems fit, to deal with any extraordinary corporate events that may occur from time to time in relation to a share that is the underlying instrument of the equity option and to notify position holders, members and any other interested parties, of such event and the procedure or adjustment adopted. Such events include, for example, mergers, take-overs, unbundlings, capitalisation issues and rights issues.”

The implication of this is that anybody trading in Single Stock futures or options on Single Stock futures in which the underlying stock is the subject of an extraordinary corporate event should be aware that the JSE may make adjustments to the Single Stock futures and options.

UNBUNDLING.

Simmer and Jack Mines Limited (SIM) shareholders will receive 47.38933 Village Main Reef Limited (VIL) shares for every 100 SIM shares held.

With regard to this corporate action the following adjustments will be made to positions on Monday, 20th June 2011 (**Ex date**). The adjustments will be made to the positions held in SIMQ, as at close of business on Friday, 17th June 2011 (**LDT**).

1. Futures positions.



JSE Limited Registration Number: 2005/022939/06
One Exchange Square, Gwen Lane, Sandown, South Africa.
Private Bag X991174, Sandton, 2146, South Africa. Telephone:
+27 11 520 7000, Facsimile: +27 11 520 8584, www.jse.co.za

Executive Directors: RM Loubser (CEO), NF Newton-King,
F Evans (CFO) **Non-Executive Directors:** HJ Borkum
(Chairman), AD Botha, ZL Combi, MR Johnston, DM Lawrence,
A Mazwai, NS Nematswerani, N Nyembezi-Heita, N Payne
Alternate Directors: JH Burke, LV Parsons

- The JSE will list a new contract i.e. Simmer and Jack Mines Limited (SIM) / Village Main Reef Limited (VIL) basket (SMXQ).
- Positions in SIMQ as held on close of business on Friday, 17th June 2011 (**LDT**) will be closed out at a value of zero and new positions will be created in the new contract at a value of zero.

E.g. If you had 10 futures contracts in the SIMQ contract, the JSE will close out this position at a value of zero and open a new position of 10 futures contracts in the new contract (SMXQ).

- The new SMXQ future will comprise of a basket of SIM and VIL shares in the following ratio: -

$$\underline{1 \text{ New SMXQ future} = 100 \text{ SIM shares} + 47.38933 \text{ VIL shares.}}$$

- The MTM price of the new SMXQ basket will be determined by calculating the fair value of: -

$$\underline{(1 * \text{SIM share price}) + (0.4738933 * \text{VIL share price}).}$$

- At expiry date the future will be physically settled according to the following ratio: -

$$\underline{1 \text{ New SMXQ future} = 100 \text{ SIM shares} + 47.38933 \text{ VIL shares.}}$$

- The final settlement price of the SMXQ basket at expiry will be determined as follows: -

$$\underline{(1 * \text{SIM share price}) + (0.4738933 * \text{VIL share price}).}$$

2. Option positions.

- The JSE will make the same adjustments to option positions as made to futures positions above.
- Strike prices will remain unaffected.

Please Note

In addition to the above changes, the JSE will list a new futures contract i.e. Village Main Reef Limited (VILQ)

Should you have any queries please contact Imraan Hendrix on (011) 520-7349

Allan Thomson

Director: Trading

Tel: +27 11 520 7082

Fax: +27 11 520 7551

E-mail Address allant@jse.co.za

Distributed by the Company Secretariat +27 11 520 7591