

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 17 apply throughout this Circular, including this cover page (unless the context indicates otherwise).

ACTION REQUIRED BY SHAREHOLDERS

This Circular is important and should be read with particular attention to the sections titled “*Action required by Shareholders in respect of the Scheme*”, which commences on page 5, and “*Action required by Shareholders in respect of the General Offer*”, which commences on page 10.

If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, attorney, accountant or other professional advisor immediately.

If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or to the Broker, CSDP, banker or other agent through whom the disposal was made.

Assore does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner of Shares, to notify such beneficial owner of the transactions set out in this Circular or to take any action on behalf of such beneficial owner.



ASSORE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1950/037394/06)

JSE share code: ASR

ISIN: ZAE000146932

(“Assore”)

CIRCULAR TO SHAREHOLDERS

regarding:

- a scheme of arrangement in terms of section 114(1)(e) of the Companies Act, proposed by the Board between Assore and the Scheme Participants, in terms of which, if implemented, Assore will repurchase a maximum of 24 264 705 Shares (constituting 17.4% of Assore’s authorised share capital) from Scheme Participants for a cash consideration of R320.00 per Scheme Share;
- separate but concurrent to the Scheme, a conditional General Offer by Assore to the Eligible Shareholders in terms of sections 48 and 117(1)(c)(v) of the Companies Act and paragraphs 1.15(c) and 5.69 of the Listings Requirements, to acquire all of the General Offer Shares for a cash consideration of R320.00 per General Offer Share, which will be implemented only if the Scheme fails; and
- the Delisting of all Shares from the JSE pursuant to the implementation of the Scheme or, if the Scheme fails, pursuant to the Delisting Resolution being approved and the General Offer being implemented.

and incorporating:

- a report prepared by the Independent Expert in terms of both section 114(3) of the Companies Act and the Listings Requirements;
- a Notice of General Meeting;
- a Form of Proxy (*yellow*) for use by Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration only;
- a Form of Surrender and Transfer (*blue*) in respect of the Scheme for use by Certificated Shareholders only;
- a Form of Acceptance and Transfer (*pink*) in respect of the General Offer for use by Certificated Shareholders only; and
- extracts of sections 114 and 115 of the Companies Act dealing with the approval requirements for fundamental transactions, section 124 of the Companies Act dealing with compulsory acquisitions and section 164 of the Companies Act dealing with Dissenting Shareholders’ Appraisal Rights.

Financial Advisor and Sponsor to Assore



Independent Expert



Legal and Tax Advisor to Assore
WEBBER WENTZEL
in alliance with > **Linklaters**

Date of issue: Monday, 16 March 2020.

This Circular is available in English only. A copy of the Circular will be made available for inspection by Shareholders during normal business hours from the date of posting of this Circular on Monday, 16 March 2020, up to and including the end of the Offer Period, being Friday, 22 May 2020, at the registered offices of Assore. The Circular will also be made available on Assore's website, www.assore.com.

CORPORATE INFORMATION AND ADVISORS

Assore Limited

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South Africa
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Registration Number: 1950/037394/06

Date of incorporation: 1950

Place of incorporation: South Africa

Legal and Tax Advisor to Assore

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Company Secretary of Assore

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Financial Advisor and Sponsor to Assore

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Independent Expert

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2041, South Africa)

Transfer Secretaries to Assore

Singular Systems Proprietary Limited
(Registration number: 2002/001492/07)
25 Scott Street
Waverley
Johannesburg
Gauteng
South Africa
2090
(PO Box 785261, Sandton, 2146)

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IMPORTANT LEGAL NOTICES

The definitions and interpretations commencing on page 17 of this Circular shall apply, *mutatis mutandis*, to this section (unless the context indicates otherwise).

FOREIGN SHAREHOLDERS

This Circular is governed by the laws of South Africa and is subject to any applicable laws and regulations and has been prepared for the purposes of complying with the Listings Requirements, the Companies Act and the Takeover Regulations and is published in terms thereof. The information disclosed in this Circular may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa.

The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than South Africa should inform themselves about and observe any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

This Circular is not intended to and does not constitute or form part of an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction in which such solicitation would be unlawful or in which securities may not be offered or sold without registration or an exemption from registration. This Circular does not constitute a prospectus or a prospectus-equivalent document. Shareholders are advised to read this Circular, which contains the full terms and conditions of the Scheme and General Offer, with care. Any decision to approve the Scheme, Delisting Resolution or accept the General Offer or other response to the proposals should be made only on the basis of the information in this Circular.

The Scheme and the General Offer, which are the subject of this Circular, may be affected by the laws of the relevant jurisdictions of Foreign Shareholders. Foreign Shareholders must satisfy themselves as to the full observance of any applicable laws concerning the receipt of the Scheme Consideration and/or the General Offer Consideration, including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such jurisdiction. Foreign Shareholders who are in any doubt as to their positions should consult their professional advisors immediately.

FORWARD-LOOKING STATEMENTS

This Circular contains statements about Assore and/or the Group that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; production; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditure, acquisition strategy, and expansion prospects for future capital expenditure levels and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Assore cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Assore operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All forward-looking statements in respect of Assore are based on estimates and assumptions made by Assore and/or the Group which, although Assore believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, assumptions or statements include other matters not yet known to Assore or not currently considered material by Assore.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Assore and/or the Group not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Assore has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of issue of this Circular, except as may be required by law.

ACTION REQUIRED BY SHAREHOLDERS IN RESPECT OF THE SCHEME

This Circular is important and requires your immediate attention. The actions you need to take are set out below.

The definitions and interpretations commencing on page 17 of this Circular shall apply, *mutatis mutandis*, to this section (unless the context indicates otherwise).

Please take careful note of the following provisions regarding the action required by Shareholders in respect of the Scheme:

- if you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, attorney, accountant or other professional advisor immediately;
- if you have disposed of all your Shares, then this Circular, together with the accompanying Notice of General Meeting, Form of Proxy (*yellow*) and Form of Surrender and Transfer (*blue*), should be forwarded to the purchaser to whom, or the Broker, agent, CSDP or banker through whom you disposed of your Shares;
- in order for the Scheme to become operative, among other things, the Scheme Resolution must be adopted at the General Meeting; and
- the Independent Board and the Board have recommended that Shareholders vote in favour of the Scheme Resolution.

I. GENERAL MEETING

The General Meeting will be held at 11:00 on Thursday, 16 April 2020, at Assore House, 15 Fricker Road, Illovo Boulevard, Johannesburg, South Africa, 2196 (or any adjourned or postponed date in accordance with the provisions of section 64(11) of the Companies Act and the MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice.

II. VOTING AND ATTENDANCE AT THE GENERAL MEETING

A Dematerialised Shareholders without Own-Name Registration

If you (or the relevant holder of voting rights as contemplated in section 57(1) of the Companies Act) wish to attend the General Meeting you (or the relevant holder of voting rights) should instruct your CSDP or Broker to issue you (or the relevant holder of voting rights) with the necessary letter of representation to attend the General Meeting in person, in the manner stipulated in your Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.

If you (or the relevant holder of voting rights) do not wish to, or are unable to attend the General Meeting, but wish to vote at the General Meeting, you (or the relevant holder of voting rights) should provide your CSDP or Broker with your voting instructions in the manner stipulated in your Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature. If your CSDP or Broker does not obtain voting instructions, it will be obliged to vote in accordance with the instructions contained in your Custody Agreement.

You must **NOT** complete the attached Form of Proxy (*yellow*).

B Own-Name Dematerialised Shareholders

Subject to section 57(1) of the Companies Act, you may attend, speak and vote at the General Meeting in person.

If you (or the person entitled to do so in terms of section 57(1) of the Companies Act, as the case may be) do not wish to or are unable to attend the General Meeting but wish to be represented thereat, you (or such person) must complete and return the attached Form of Proxy (*yellow*) in

accordance with the instructions contained therein and ensure that it is received by the Transfer Secretaries, by no later than 48 hours before the General Meeting that is to be held at 11:00 on Thursday, 16 April 2020, ie by 11:00 on Tuesday, 14 April 2020. The Form of Proxy (*yellow*) may also be handed to the chairperson of the General Meeting (or adjourned or postponed General Meeting) at any time before the General Meeting is due to commence or recommence, as the case may be.

C Certificated Shareholders

Subject to sections 56 and 57 of the Companies Act, you may attend the General Meeting and speak and vote at the General Meeting.

If you (or the relevant holder of voting rights contemplated in section 57(1) of the Companies Act) do not wish to or are unable to attend the General Meeting and wish to be represented thereat, you (or such person) must complete the attached Form of Proxy (*yellow*) in accordance with the instructions contained therein and ensure that it is received by the Transfer Secretaries by no later than 48 hours before the General Meeting that is to be held at 11:00 on Thursday, 16 April 2020, ie by 11:00 on Tuesday, 14 April 2020. The Form of Proxy (*yellow*) may also be handed to the chairperson of the General Meeting (or adjourned or postponed General Meeting) at any time before the General Meeting is due to commence or recommence, as the case may be.

D Electronic participation at the General Meeting

Shareholders or their proxies may participate in the General Meeting by way of a teleconference call, if they wish to do so.

Shareholders or their proxies who wish to participate in the General Meeting via the teleconference facility will be required to advise Assore thereof by no later than 11:00 on Tuesday, 14 April 2020, by submitting an email to the Company Secretary (janinegovender@assore.com) with the relevant contact details including an email address, cellular number and land line, as well as full details of the Shareholder's title to the Shares, proof of identity in the form of copies of identity documents and share certificates (in the case of Certificated Shareholders) and written confirmation from the Shareholder's CSDP or Broker confirming the Shareholder's title to the Dematerialised Shares (in the case of Dematerialised Shareholders). Upon receipt of the required information, the Shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the General Meeting.

Shareholders who wish to participate in the General Meeting by way of teleconference call must note that they will not be able to vote at the General Meeting. Such Shareholders, should they wish to have their vote counted at the General Meeting, must, to the extent applicable: (i) complete the attached Form of Proxy (*yellow*); or (ii) contact their CSDP or Broker, in both instances, as set out above.

E General

The Remaining Shareholders are considered to be acting in concert with Assore in terms of the Takeover Regulations, and as such, will not be entitled to vote on the Resolutions (other than the Specific Repurchase Resolution).

F Tax

The Scheme Consideration constitutes a dividend for tax purposes and would be subject to dividends tax depending on the profile of the Shareholder. To the extent that any Shareholder is exempt from dividends tax, it will be required to complete the prescribed declaration and undertaking before the distribution, as it would in the course of normal dividends being declared. Shareholders should consult their professional advisors immediately if they are in any doubt as to their tax position.

Should the Scheme become unconditional and be implemented in accordance with its terms, the default impact of dividends tax on the gross Scheme Consideration (excluding the application of any relief or exemption as may be granted to any particular Shareholder) will be set out in the finalisation announcement, which is expected to be published on or about Friday, 8 May 2020.

III. GENERAL

A Approval of the Scheme at the General Meeting

The Scheme and repurchase of Shares must be approved by a Special Resolution of Shareholders, in accordance with sections 48(8)(a), 48(8)(b), 114(1)(e) and 115(2)(a) of the Companies Act, at the General Meeting at which sufficient Shareholders must be present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised on the Scheme Resolution.

In order to be approved, the Scheme Resolution must be supported by at least 75% of the voting rights exercised on the resolution. Excluded Shareholders will not vote on the Scheme Resolution.

B Court approval

Shareholders are advised that, in terms of section 115(3) of the Companies Act, Assore may in certain circumstances not proceed to implement the Scheme without the approval of the Court, despite the fact that Scheme Resolution has been adopted at the General Meeting.

A copy of section 115 of the Companies Act pertaining to the required approval for the Scheme is set out in **Annexure 6** to this Circular and a summary is contained in paragraph 5.5 of this Circular.

C Dissenting Shareholders

A Shareholder who is entitled to vote at the General Meeting is entitled to seek relief in terms of section 164 of the Companies Act if that Shareholder:

- notified Assore in advance and in writing of its intention to oppose the Scheme Resolution;
- was present at the General Meeting;
- voted against the Scheme Resolution; and
- sent Assore a demand contemplated in section 164(5) of the Companies Act.

A copy of section 164 of the Companies Act pertaining to Dissenting Shareholders' Appraisal Rights is set out in **Annexure 8** to this Circular and a summary is contained in paragraph 5.8 of this Circular.

IV. TRP APPROVALS

Shareholders should take note that the TRP does not consider commercial advantages or disadvantages of "affected transactions", as defined in section 117(1)(c) of the Companies Act, when it approves such transactions.

V. LOST OR DESTROYED DOCUMENTS OF TITLE IN RESPECT OF CERTIFICATED SHAREHOLDERS

If Documents of Title have been lost or destroyed, Certificated Shareholders should nevertheless return the Form of Surrender and Transfer (*blue*) duly signed and completed. The Transfer Secretaries shall issue a suitable indemnity form to such Certificated Shareholder, such indemnity form to be in a form and substance acceptable to Assore (in its sole and absolute discretion) and Assore and the Transfer Secretaries must be satisfied that the Documents of Title have been lost or destroyed.

Only upon receipt of such indemnity form duly completed and signed by such Certificated Shareholder to be received by 12:00 on the Scheme Consideration Record Date, will Assore consider the action taken by such Certificated Shareholder in terms of the Scheme.

VI. SURRENDER OF DOCUMENTS OF TITLE

A Dematerialised Shareholders

You do not have to surrender any Documents of Title. This will be done by your CSDP or Broker. You must **NOT** complete the attached Form of Surrender and Transfer (*blue*).

B Certificated Shareholders

If the Scheme becomes operative, you will be required to surrender your Documents of Title in respect of all your Shares in order to claim the Scheme Consideration payable or deliverable to you.

If you wish to expedite receipt of the Scheme Consideration and surrender your Documents of Title in anticipation of the Scheme becoming operative, you should complete the attached Form of Surrender and Transfer (*blue*) and return it, together with the relevant Documents of Title relating to

all your Shares, in accordance with the instructions contained therein, to the Transfer Secretaries, Singular Systems Proprietary Limited, 25 Scott Street, Waverley, Johannesburg, 2090, by 12:00 on the Scheme Consideration Record Date.

If Documents of Title relating to any Shares to be surrendered are lost or destroyed, Assore may dispense with the surrender of such Documents of Title upon production of evidence satisfactory to Assore that the Documents of Title to the Shares in question have been lost or destroyed and upon provision of a suitable indemnity on terms satisfactory to Assore. Accordingly, if the Documents of Title in respect of any of your Shares have been lost or destroyed, you should nevertheless return the attached Form of Surrender and Transfer (*blue*), duly signed and completed, together with a duly signed and completed indemnity form which is obtainable from the Transfer Secretaries.

Should you surrender your Documents of Title in anticipation of the Scheme becoming operative and the Scheme then does not become operative and you do not accept the General Offer within the stipulated time frame or the General Offer does not become unconditional, the Transfer Secretaries shall, within five Business Days of the later of these two events, provided that the date upon which it becomes known that the Scheme will not be implemented, or on receipt by the Transfer Secretaries of the relevant Documents of Title, return the Documents of Title to you, by registered post, at your own risk.

VII. DEMATERIALISATION OR REMATERIALISATION OF AND TRADING IN SCHEME SHARES

You are not required to Dematerialise your Shares in order to participate in the Scheme. If you wish to Dematerialise your Scheme Shares, please contact the Transfer Secretaries or your CSDP or Broker.

You should note that once you have surrendered your Documents of Title in respect of your Scheme Shares, in anticipation of the Scheme becoming operative, you may not Dematerialise or trade any of the Scheme Shares to which those Documents of Title relate.

No Dematerialisation or re-materialisation of Scheme Shares may take place:

- from the Business Day following the last day to trade prior to the General Meeting up to and including the Scheme Voting Record Date in respect of the General Meeting; and
- if the Scheme becomes operative, on or after the Business Day following the Scheme Last Day to Trade.

Should the Scheme not become operative and:

- you have not accepted the General Offer in respect of all of your General Offer Shares, the Transfer Secretaries shall, within five Business Days of either the General Offer Closing Date or on receipt by the Transfer Secretaries of the required Documents of Title, whichever is the later, return the Documents of Title to you, by registered post, at your own risk; or
- you have accepted the General Offer in respect of all of your General Offer Shares but the General Offer does not become unconditional in all respects, the Transfer Secretaries shall, within five Business Days of either the date upon which it becomes known that the General Offer will not be implemented or on receipt by the Transfer Secretaries of the required Documents of Title, whichever is the later, return the Documents of Title to you, by registered post, at your own risk.

VIII. POSTING FORMS OF SURRENDER AND TRANSFER AND DOCUMENTS OF TITLE

Forms of Surrender and Transfer and Documents of Title that are sent through the post are sent at the risk of the Shareholder concerned. Accordingly, Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. It is therefore recommended that such forms and Documents of Title rather be sent by registered post or delivered by hand to the Transfer Secretaries.

IX. OTHER

The contents of this Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory and tax implications of the Scheme or any other matter for each Shareholder. Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory and tax positions regarding the Scheme or any other matter and in particular the receipt of the Scheme Consideration, as applicable.

Assore does not accept responsibility and will not be held liable for any act of, or omission by, any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of Scheme Shares to notify the holder of any beneficial interest in those Scheme Shares in respect of the Scheme or any other matter set out in this Circular.

ACTION REQUIRED BY SHAREHOLDERS IN RESPECT OF THE GENERAL OFFER

The definitions and interpretations commencing on page 17 of this Circular shall apply, *mutatis mutandis*, to this section (unless the context indicates otherwise).

Please take careful note of the following provisions regarding the actions required by Shareholders in respect of the General Offer:

- if you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, attorney, accountant or other professional advisor immediately;
- if you have disposed of all your Shares, then this Circular, together with the accompanying Notice of General Meeting, Form of Proxy (*yellow*) and Form of Acceptance and Transfer (*pink*), should be forwarded to the purchaser of such Shares or to the Broker, CSDP, banker, accountant, attorney or other agent through whom the disposal was effected;
- in order for the General Offer to become operative, the Repurchase Resolution, Specific Repurchase Resolution and Delisting Resolution must be adopted and the General Offer must become wholly unconditional; and
- Shareholders should take note that the Independent Board and the Board recommend that Shareholders vote in favour of the Repurchase Resolution, Specific Repurchase Resolution and Delisting Resolution and accept the General Offer.

The General Offer will run concurrently to the Scheme, however, implementation of the General Offer will be conditional on, *inter alia*, the Scheme not becoming operative.

For the avoidance of doubt, Eligible Shareholders will be entitled to accept the General Offer from 11:00 on the General Offer Opening Date, however, any General Offer Shares Tendered will not be acquired by Assore until such time as the General Offer is implemented, which is conditional, *inter alia*, on the Scheme not becoming operative and the General Offer becoming wholly unconditional.

Eligible Shareholders shall be entitled to either:

- accept the General Offer in respect of all (and not some) of their General Offer Shares (accordingly no partial acceptances will be accepted); or
- reject the General Offer.

If you wish to accept the General Offer, you must do so in the manner described below, depending on whether you are a Certificated Shareholder or a Dematerialised Shareholder.

I. VOTING, ATTENDANCE AND REPRESENTATION AT THE GENERAL MEETING

Shareholders are referred to section II of “*Action required by Shareholders in respect of the Scheme*” to ascertain the action required by Shareholders in respect of the General Meeting.

II. ACTION REQUIRED IN RESPECT OF THE GENERAL OFFER

A Dematerialised Shareholders

If you are a Dematerialised Shareholder, you may be contacted by your CSDP or Broker in the manner stipulated in your Custody Agreement and subject to the cut-off time in order to ascertain whether or not you wish to accept the General Offer. If you wish to accept the General Offer, you must notify your CSDP or Broker of your acceptance of the General Offer in the time and manner stipulated in your Custody Agreement.

If you are a Dematerialised Shareholder and wish to accept the General Offer, but have not been contacted by your CSDP or Broker, it would be advisable for you to contact and furnish your CSDP or Broker with instructions in regard to the acceptance of the General Offer. These instructions must be provided in the manner and by the cut-off date and time stipulated in your Custody Agreement, and must be communicated by your CSDP or Broker to the Transfer Secretaries by no later than 12:00 on the General Offer Closing Date.

You must **NOT** complete the attached Form of Acceptance and Transfer (*pink*).

If you notify your CSDP or Broker of your desire to accept the General Offer, you will **NOT** be able to rematerialise and/or trade your Shares from the date on which you notify your CSDP or Broker of your acceptance of the General Offer. Dematerialised Shareholders will, however, be entitled to sell such General Offer Shares Tendered to Assore in terms of the Scheme and to receive the Scheme Consideration in respect of such General Offer Shares Tendered in the event that the Scheme becomes operative.

B Certificated Shareholders

If you are a Certificated Shareholder and wish to accept the General Offer, you must complete the Form of Acceptance and Transfer (*pink*) attached to this Circular in accordance with its instructions, and forward it, together with your Documents of Title, to the Transfer Secretaries, Singular Systems Proprietary Limited, 25 Scott Street, Waverley, Johannesburg, 2090 (for hand deliveries) or PO Box 785261, Sandton, 2146 (for postal deliveries), by no later than 12:00 on the General Offer Closing Date.

If you accept the General Offer and surrender your Documents of Title, you will **NOT** be able to Dematerialise and/or trade your General Offer Shares from the date that you surrender your Documents of Title in respect of those General Offer Shares.

C Approval of the Specific Repurchase and Delisting at the General Meeting

As the General Offer is considered to be a Repurchase in terms of section 48(8) of the Companies Act and a Specific Repurchase in terms of paragraph 5.69(b) of the Listings Requirements, the Repurchase and the Specific Repurchase are required to be approved by separate Special Resolutions of the Shareholders at the General Meeting in accordance with the quorum requirements specified above.

Firstly, in accordance with sections 48(8)(a) and 48(8)(b) of the Companies Act, a decision by Assore to Repurchase its Shares: (i) must be approved by a Special Resolution if any of the Shares are to be acquired by Assore from a Director, or a person related to a Director; and (ii) is subject to the requirements of sections 114 and 115 of the Companies Act if it involves the acquisition by Assore of more than 5% of its Shares. In accordance with section 115(4) of the Companies Act, the Remaining Shareholders will not be entitled to vote on the Repurchase Resolution at the General Meeting.

Secondly, in accordance with paragraph 5.69(b) of the Listings Requirements, Shareholders who have provided irrevocable undertakings in respect of the Specific Repurchase as detailed in paragraph 16, and their respective associates (as defined in the Listings Requirements), will not be entitled to vote on the Specific Repurchase Resolution at the General Meeting. The Remaining Shareholders will, however, be able to vote on the Specific Repurchase Resolution.

The Delisting must also be approved by an Ordinary Resolution, at the General Meeting, at which at least three Shareholders are present and sufficient Shareholders are present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised at the General Meeting, in accordance with paragraphs 1.15(a) and 1.16 of the Listings Requirements. In order to be approved, the Ordinary Resolution must be supported by more than 50% of the voting rights exercised thereon.

In accordance with paragraph 1.16 of the Listings Requirements, controlling shareholder/s, their associate/s and persons who are considered to be acting in concert with Assore will not be entitled to vote on the Delisting Resolution. Therefore, the Remaining Shareholders who are considered to be acting in concert with Assore in terms of the Takeover Regulations, will not be entitled to vote on the Delisting Resolution.

D Electronic participation

Shareholders are advised in terms of section 63(3) of the Companies Act, that while the General Meeting will be held in person, Shareholders (or their proxies) may participate in (but not vote at) the General Meeting by electronic communication, as contemplated in section 63(2) of the Companies Act, and Shareholders or their proxy will be able, at their own expense, to participate in (but not vote at) the General Meeting by means of a teleconference facility.

E **Tax**

The General Offer Consideration constitutes a dividend for tax purposes and would be subject to dividends tax depending on the profile of the Shareholder. To the extent that any Shareholder is exempt from dividends tax, it will be required to complete the prescribed declaration and undertaking before the distribution, as it would in the course of normal dividends being declared. Shareholders should consult their professional advisors immediately if they are in any doubt as to their tax position.

Should the General Offer become unconditional and be implemented in accordance with its terms, the default impact of dividends tax on the gross General Offer Consideration (excluding the application of any relief or exemption as may be granted to any particular Shareholder) will be set out in the finalisation announcement, which is expected to be published on or about Friday, 8 May 2020.

III. **GENERAL**

A **Compulsory acquisition**

In the event that the General Offer is implemented and is accepted by Eligible Shareholders holding at least 90% of the General Offer Shares, Assore may, at its election, invoke the provisions of section 124 of the Companies Act, to compulsorily acquire all the General Offer Shares held by the Non-accepting Shareholders, as further detailed in paragraph 6.8 of this Circular and **Annexure 7** to this Circular. Should Assore not elect to invoke the provisions of section 124 of the Companies Act, and the General Offer becomes wholly unconditional and implemented, Eligible Shareholders who have not accepted the General Offer will remain Shareholders in Assore. Subject to the Scheme not becoming operative, if an Eligible Shareholder does not wish to accept the General Offer in respect of any of the General Offer Shares held by them, they do not need to take any further action and should the provisions of section 124 of the Companies Act not be invoked by Assore, such Eligible Shareholders will become Non-accepting Shareholders upon the General Offer becoming wholly unconditional and implemented.

A copy of section 124 of the Companies Act is set out in **Annexure 7** to this Circular and a summary is contained in paragraph 6.8 of this Circular.

B **Dematerialisation or rematerialisation of and trading in Shares**

If you wish to Dematerialise your Shares, please contact the Transfer Secretaries, your Broker or CSDP. You are **NOT** required to Dematerialise your General Offer Shares in order to participate in the General Offer or to receive the General Offer Consideration.

You should note that once you have surrendered your Documents of Title in respect of your General Offer Shares, pursuant to your acceptance of the General Offer, you may not Dematerialise or trade any of the General Offer Shares to which those Documents of Title relate.

Furthermore, you should note that, after acceptance of the General Offer you may not Dematerialise or trade any of the General Offer Shares in respect of which the General Offer has been accepted. You will however be entitled to sell such General Offer Shares Tendered, to Assore in terms of the Scheme and to receive the Scheme Consideration in respect of such General Offer Shares Tendered in the event that the Scheme becomes operative.

For the avoidance of doubt, you may not, after acceptance of the General Offer, instruct any Broker or CSDP to hold your General Offer Shares in respect of which the General Offer has been accepted as nominee on your behalf or, where such General Offer Shares are already held by the Broker or CSDP as nominee, request the Broker or CSDP to release the General Offer Shares in respect of which the General Offer has been accepted.

No Dematerialisation or rematerialisation of Shares may take place:

- from the Business Day following the last day to trade prior to the General Meeting up to and including the Scheme Voting Record Date; and
- if the General Offer is declared wholly unconditional, on or after the Business Day following the General Offer Last Day to Trade.

IV. FOREIGN SHAREHOLDERS

If you are a Foreign Shareholder, you are urged to read the important information, relating to the General Offer described in this Circular. If you are in doubt about your position, you should consult your professional advisor in the relevant jurisdiction.

V. POSTING FORMS OF ACCEPTANCE AND TRANSFER AND DOCUMENTS OF TITLE

Forms of Acceptance and Transfer (*pink*) and Documents of Title that are sent through the post are sent at the risk of the Eligible Shareholder concerned. Accordingly, Eligible Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. It is therefore recommended that such forms and Documents of Title rather be sent by registered post or delivered by hand to the Transfer Secretaries.

VI. LOST OR DESTROYED DOCUMENTS OF TITLE IN RESPECT OF CERTIFICATED SHAREHOLDERS

If Documents of Title have been lost or destroyed, Certificated Shareholders should nevertheless return the Form of Acceptance and Transfer (*pink*) duly signed and completed. The Transfer Secretaries shall issue a suitable indemnity form to such Certificated Shareholder, such indemnity form to be in a form and substance acceptable to Assore (in its sole and absolute discretion) and Assore and the Transfer Secretaries must be satisfied that the Documents of Title have been lost or destroyed.

Only upon receipt of such indemnity form, duly completed and signed by such Certificated Shareholder, to be received by 12:00 on the General Offer Closing Date, will Assore consider the action taken by such Certificated Shareholder in terms of the General Offer.

VII. OTHER

The contents of this Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory and tax implications of the General Offer or any other matter for each Shareholder. Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory and tax positions regarding the General Offer or any other matter and in particular the receipt of the General Offer Consideration, as applicable.

Assore does not accept responsibility and will not be held liable for any act of, or omission by, any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of General Offer Shares to notify the holder of any beneficial interest in those General Offer Shares in respect of the General Offer or any other matter set out in this Circular.

VIII. TRP APPROVAL

Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of “*affected transactions*”, as defined in section 117(1)(c) of the Companies Act, when it approves such transactions.

During engagement with the TRP in respect of this Circular, the TRP expressed its view that the acquisition by a regulated company of more than 5% of the issued shares of any particular class of the company's shares, as contemplated in section 48(8)(b) of the Companies Act, is a scheme of arrangement as contemplated in section 114 of the Companies Act, and accordingly, any such acquisition constitutes an affected transaction in terms of section 117(c)(iii) of the Companies Act. Consequently, the TRP's view is that the General Offer is a scheme of arrangement in terms of sections 114 and 117(c)(iii) of the Companies Act, and must also comply with the requirements applicable to the Scheme under the Companies Act and the Takeover Regulations.

The General Offer complies with the requirements of section 114 of the Companies Act. In this regard, please refer to the opinions and recommendations expressed by the Independent Board in paragraph 10 of this Circular and the opinion of the Independent Expert contained in **Annexure 1** to this Circular. The General Offer furthermore complies with the requirements of section 115 of the Companies Act in relation to the approval by Shareholders of the General Offer in terms of section 48(8) of the Companies Act. Please refer to Special Resolution number 2 as contained in the Notice.

Assore does not, however, agree with the TRP's view that an acquisition of shares as contemplated in section 48(8)(b) of the Companies Act must be, or necessarily constitutes such acquisition as, a scheme of arrangement. As such, in Assore's opinion, the General Offer is not a scheme of arrangement. Assore is also further of the opinion that Appraisal Rights do not apply in respect of the General Offer. To the extent, however, that Appraisal Rights do apply in respect of the General Offer, the provisions of paragraph 5.8 of this Circular (and any related provisions of the Notice) shall apply *mutatis mutandis* to the General Offer Participants in respect of Special Resolution number 2 as contained in the Notice. Shareholders are referred to **Annexure 8** to this Circular, which contains an extract of the provisions of section 164 of the Companies Act.

As regards compliance with the Takeover Regulations generally in relation to the General Offer, please refer to paragraphs 1 to 4 and paragraphs 6 to 26 of this Circular, which paragraphs apply in respect of both the Scheme and the General Offer.

SALIENT DATES AND TIMES

2020

Record date to determine which Shareholders are eligible to receive this Circular (“ Record Date ”)	Friday, 6 March
Circular posted to Shareholders and Notice of General Meeting published on SENS on	Monday, 16 March
Notice of posting of this Circular and Notice of General Meeting published in the South African press on	Tuesday, 17 March
General Offer Opening Date at 11:00 on	Tuesday, 17 March
Last day to trade Shares in order to be recorded in the Register to attend, participate in and vote at the General Meeting (“ Voting Last Day to Trade ”) on (<i>refer to note 3 below</i>)	Tuesday, 31 March
Record date for Shareholders to be recorded in the Register in order to be eligible to attend, participate in and vote at the General Meeting, being the “ Scheme Voting Record Date ”, by close of trade on	Friday, 3 April
Last day and time to lodge Forms of Proxy (<i>yellow</i>) with the Transfer Secretaries by 11:00 on (<i>refer to note 4 below</i>)	Tuesday, 14 April
Last date for Shareholders to give notice to Assore of their objections to the Scheme Resolution in terms of section 164(3) of the Companies Act by no later than 11:00 on	Thursday, 16 April
Forms of Proxy (<i>yellow</i>) not lodged with the Transfer Secretaries to be handed to the chairperson of the General Meeting at any time before the proxy exercises any rights of a Shareholder at the General Meeting on	Thursday, 16 April
General Meeting to be held at 11:00 on	Thursday, 16 April
Results of the General Meeting released on SENS on or about	Friday, 17 April
Results of General Meeting published in the South African press on or about	Monday, 20 April
<i>If the Scheme is approved by Shareholders at the General Meeting:</i>	
Last day for Shareholders who voted against the Scheme to require Assore to seek Court approval for the Scheme in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of Shareholders at the General Meeting were exercised against the Scheme on	Tuesday, 28 April
Last day for Shareholders (who voted against the Scheme) to be granted leave by a Court for a review of the Scheme in terms of section 115(3)(b) of the Companies Act, if the Scheme Resolution is approved by Shareholders at the General Meeting (where applicable) on	Wednesday, 6 May
Last date for Assore to give notice of adoption of the Scheme Resolution approving the Scheme to Dissenting Shareholders in accordance with section 164(4) of the Companies Act on	Wednesday, 6 May
<i>The following dates assume that no Court approval or review of the Scheme is required and will be confirmed in the finalisation announcement if the Scheme becomes unconditional:</i>	
Finalisation announcement with regard to the Scheme published on SENS before 11:00 (assuming no Shareholder exercises their right in terms of section 115(3)(a) or section 115(3)(b) of the Companies Act) expected to be on or about	Friday, 8 May
Finalisation announcement published in the South African Press expected to be on or about	Monday, 11 May

Expected last day to trade, being the last day to trade Shares on the JSE in order to participate in the Scheme (" Scheme Last Day to Trade ")	Tuesday, 19 May
Expected suspension of listing of Shares on the JSE at the commencement of trade on	Wednesday, 20 May
Expected " Scheme Consideration Record Date ", being the date on which Scheme Participants must be recorded in the Register to receive the Scheme Consideration, by close of trade on	Friday, 22 May
Expected " Operative Date " on or about	Monday, 25 May
Scheme Consideration expected to be sent by EFT or by cheque to Scheme Participants who are Certificated Shareholders and who have lodged their Form of Surrender and Transfer (<i>blue</i>) with the Transfer Secretaries on or prior to 12:00 on the Scheme Consideration Record Date, on or about	Monday, 25 May
Dematerialised Scheme Participants expected to have their accounts (held at their CSDP or Broker) credited with the Scheme Consideration on or about	Monday, 25 May
Expected date for termination of the listing of Shares in terms of the Scheme at the commencement of trade on the JSE	Tuesday, 26 May
<i>If the Scheme does not become unconditional and the General Offer is implemented:</i>	
Expected finalisation announcement published on SENS on or about	Friday, 8 May
Expected date of lodging an application for the termination of listing of the Shares on the JSE on	Friday, 8 May
Expected finalisation announcement published in the South African press, and released on SENS on	Monday, 11 May
First date on which the General Offer Consideration is expected to be sent by EFT or by cheque to General Offer Participants who are Certificated Shareholders who have lodged their Form of Acceptance and Transfer (<i>pink</i>) with the Transfer Secretaries on or prior to the General Offer being declared wholly unconditional, on or about	Tuesday, 19 May
First date on which Dematerialised General Offer Participants are expected to have their accounts with their Broker or CSDP credited with the General Offer Consideration, on or about	Tuesday, 19 May
Expected last day to trade to take up the General Offer	Tuesday, 19 May
Expected suspension of the listing of the Shares at the commencement of trade on the JSE	Wednesday, 20 May
Expected General Offer record date	Friday, 22 May
Expected General Offer Closing Date. Forms to be submitted by 12:00 on	Friday, 22 May
Last date on which the General Offer Consideration is expected to be sent by EFT or by cheque to General Offer Participants who are Certificated Shareholders who have lodged their Form of Acceptance and Transfer (<i>pink</i>) with the Transfer Secretaries on or prior to the last day to trade to take up the General Offer, on or about	Monday, 25 May
Last date on which Dematerialised General Offer Participants are expected to have their accounts with their Broker or CSDP credited with the General Offer Consideration on or about	Monday, 25 May
Expected termination of the listing of the Shares at commencement of trade on the JSE	Tuesday, 26 May

Notes:

1. *All of the above dates and times are subject to change, with the approval of the JSE and TRP, if required. The dates have been determined based on certain assumptions regarding the dates by which certain regulatory approvals including, but not limited to, that of the JSE and TRP, will be obtained and that no Court approval or review of the Scheme will be required. Any change will be released on SENS and published in the South African press.*
2. *Shareholders are referred to paragraph 5.8 of the Circular (which contains a summary of Dissenting Shareholders' Appraisal Rights in respect of the Scheme) regarding timing considerations relating to the Appraisal Rights held by Shareholders.*
3. *Shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Shares after close of trade on Tuesday, 31 March 2020, will not be eligible to attend, participate in and vote at the General Meeting, as the Scheme Voting Record Date is Friday, 3 April 2020. Provided the Scheme is approved and Shareholders acquire the Shares on or prior to the Scheme Last Day to Trade (expected to be Tuesday, 19 May 2020), Shareholders will be eligible to participate in the Scheme, as the Scheme Consideration Record Date is Friday, 22 May 2020.*
4. *A Shareholder may submit a Form of Proxy (yellow) at any time before the commencement of the General Meeting (or any adjournment or postponement of the General Meeting) or hand it to the chairperson of the General Meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the General Meeting (or any adjournment or postponement of the General Meeting), provided that should a Shareholder lodge a Form of Proxy (yellow) with the Transfer Secretaries less than 48 hours (excluding Saturdays, Sundays and gazetted, national public holidays) before the General Meeting, such Shareholder will also be required to furnish a copy of such Form of Proxy (yellow) to the chairperson of the General Meeting before the appointed proxy exercises any of such Shareholder's rights at the General Meeting (or adjourned or postponed General Meeting).*
5. *If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.*
6. *All times given in this Circular are local times in South Africa.*
7. *If the Scheme becomes operative, Certificated Shares may not be Dematerialised or rematerialised after the Scheme Last Day to Trade.*
8. *The date of payment of the Scheme Consideration, which is expected to be Monday, 25 May 2020, in respect of Dematerialised Shareholders and Certificated Shareholders.*
9. *The date of payment of the General Offer Consideration, will take place within six Business Days of the later of the General Offer being declared wholly unconditional and acceptance of the General Offer by the General Offer Participant and in accordance with paragraph 6.7.6 of this Circular in respect of Certificated Shareholders.*
10. *Should sufficient Shareholders vote against the Scheme Resolution at the General Meeting so that a Shareholder may require Assore to obtain Court approval regarding the Scheme Resolution as contemplated in section 115(3)(a) of the Companies Act, and if a Shareholder in fact delivers such a request, the dates and times set out above will need to be amended. Shareholders will be notified separately of the applicable dates and times under this process.*
11. *If any Shareholder who votes against the Scheme Resolution exercises its rights in terms of section 115(3)(b) of the Companies Act and applies to Court for a review of the Scheme, the dates and times set out above will need to be amended. Shareholders will be notified separately of the applicable dates and times under this process.*

DEFINITIONS AND INTERPRETATIONS

In this Circular and its Annexures, unless otherwise stated or the context indicates otherwise, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include juristic persons and unincorporated associations of persons and *vice versa*, and any reference to one gender shall include the other gender.

“AMT”	African Mining and Trust Company Limited, registration number 1931/003633/06, a public company incorporated in accordance with the laws of South Africa;
“Annexures”	the annexures attached to this Circular;
“Appraisal Rights”	in respect of the Scheme, the rights held by Shareholders under section 164 of the Companies Act, as detailed more fully in paragraph 5.8 of this Circular, read with Annexure 8 to this Circular;
“Assore”	Assore Limited, registration number 1950/037394/06, a public company incorporated in accordance with the laws of South Africa, the ordinary shares of which are listed on the JSE;
“Assore Employee Trust”	the Assore Employee Trust, Masters reference number IT/1460/2011, the beneficiaries of which are selected non-managerial employees of the Group who are resident in South Africa;
“Authorised Dealer”	a person authorised to deal in foreign exchange as contemplated in the Exchange Control Regulations;
“BEE Shareholders”	each of MS 350, MS 460 and MS 904 and “BEE Shareholder” shall mean any one of them as the context requires;
“Board” or “Directors”	the board of directors of Assore as at the Last Practicable Date, whose details are set out on page 24 of this Circular;
“Boleng Trust”	the Boleng Trust, Masters reference number IT/8333/05, the beneficiaries of which are formal organisations or service providers with a track record of tangible service delivery or project management (including non-governmental organisations, welfare agencies, hospitals, schools, orphanages and the like), who operate in and around the mining and beneficiation operations of companies within the Group;
“Broker”	any person registered as a <i>“broking member equities”</i> in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or a gazetted national public holiday in South Africa;
“Certificate” or “Certificated”	the process by which electronic records of ownership of shares are replaced with paper share certificates and/or other Documents of Title;
“Certificated Shareholders”	Shareholders holding Certificated Shares;
“Certificated Shares”	Shares which are represented by a share certificate or other Document of Title, which are not Dematerialised Shares;
“CIPC”	the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act, or its successor body;
“the/this Circular”	this bound document, dated Monday, 16 March 2020, including the Annexures hereto and incorporating the Notice of General Meeting, a Form of Proxy (<i>yellow</i>), a Form of Surrender and Transfer (<i>blue</i>) and a Form of Acceptance and Transfer (<i>pink</i>);

“Common Monetary Area”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini;
“Companies Act”	the Companies Act, No. 71 of 2008, as amended;
“Companies Regulations”	the Companies Regulations, 2011, promulgated under the Companies Act, as amended;
“Company Secretary”	the company secretary of Assore, being AMT;
“Court”	any South African court with competent jurisdiction to approve the implementation of the Scheme Resolution set out in the Notice of General Meeting pursuant to section 115 of the Companies Act and/or to review the Scheme Resolution and/or to determine the fair value of the Shares and/or to make an order pursuant to section 164(14) of the Companies Act;
“CSDP”	a Central Securities Depository Participant, accepted as a “ <i>participant</i> ” in terms of the Financial Markets Act;
“Custody Agreement”	the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker, governing their relationship in respect of Dematerialised Shares held by a Dematerialised Shareholder on Assore’s Uncertificated Securities Register and administered by a CSDP or Broker on behalf of that Dematerialised Shareholder;
“Delisting”	the termination of the listing of the Shares on the JSE pursuant to the Scheme becoming operative or the Delisting Resolution being adopted and the General Offer being implemented, as applicable;
“Delisting Resolution”	the Ordinary Resolution to be proposed at the General Meeting to approve the Delisting in terms of paragraphs 1.15(a) and 1.16 of the Listings Requirements, should the Scheme not become operative and pursuant to the General Offer;
“Dematerialise” or “Dematerialised”	the process by which paper share certificates or other Documents of Title are replaced with electronic records of ownership under Strate with a duly appointed CSDP or Broker, as the case may be;
“Dematerialised Shareholders”	Shareholders holding Dematerialised Shares;
“Dematerialised Shares”	Shares that have been Dematerialised or have been issued in Dematerialised form;
“Dissenting Shareholders”	in respect of the Scheme, Shareholders who: (i) validly exercise their Appraisal Rights by demanding, in accordance with the requirements of sections 164(5) to 164(8) of the Companies Act, that Assore pay them the fair value of all of their Shares; (ii) do not withdraw that demand before Assore makes an offer to them in accordance with the requirements of section 164(11) of the Companies Act; and (iii) do not, after an offer is made to them by Assore in accordance with the requirements of section 164(11) of the Companies Act, allow such offer to lapse in terms of section 164(12)(b) of the Companies Act;
“Documents of Title”	a share certificate, certified transfer deed, balance receipt and/or any other form of document of title acceptable to Assore in respect of Shares;
“EFT”	electronic funds transfer;
“Eligible Shareholders”	Shareholders other than the Remaining Shareholders, who are eligible to accept the General Offer;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, as amended;

“Excluded Dissenting Shareholders”	in respect of the Scheme, Dissenting Shareholders who accept an offer made to them by Assore in accordance with the requirements of section 164(11) of the Companies Act or, pursuant to an order of Court, tender their Shares to Assore in accordance with the requirements of section 164(15) of the Companies Act;
“Excluded Shareholders”	in respect of the Scheme, the Remaining Shareholders and the Excluded Dissenting Shareholders;
“Finalisation Date”	in respect of the Scheme, the date on which Assore releases a SENS announcement confirming that all the Scheme Conditions Precedent have been fulfilled or waived, as the case may be;
“Financial Advisor and Sponsor” or “Standard Bank”	the Standard Bank of South Africa Limited, acting through its Investment Banking division, a public company and registered bank with registration number 1962/00738/06, incorporated in accordance with the laws of South Africa;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Firm Intention Announcement”	the announcement by Assore setting out the terms of a firm intention by Assore to effect the Offer, as released on SENS on or about Monday, 9 March 2020;
“Foreign Shareholders”	a Shareholder who has a registered address outside South Africa and/or who is a national, citizen or resident of a country other than South Africa;
“Form of Acceptance and Transfer”	for purposes of accepting the General Offer, the form of acceptance and transfer (<i>pink</i>) attached to and forming part of this Circular for use only by General Offer Participants holding Certificated Shares;
“Form of Proxy”	the form of proxy (<i>yellow</i>) attached to this Circular;
“Form of Surrender and Transfer”	the form of surrender and transfer (<i>blue</i>) of Documents of Title attached to this Circular;
“Fricker Road Trust”	the Fricker Road Trust, Masters reference number IT/1461/2011, the beneficiaries of which are historically disadvantaged community members, who are living, working or operating in and around the mining and beneficiation operations of companies within the Group;
“General Meeting”	the meeting of Shareholders convened in terms of the Companies Act (including any adjournment or postponement thereof), to be held at 11:00 on Thursday, 16 April 2020, at Assore’s registered office, 15 Fricker Road, Illovo Boulevard, Johannesburg, South Africa, 2196, and in connection with the Scheme, Delisting and General Offer for the purpose of considering and, if deemed fit, approving, with or without modification, the Resolutions contained in the Notice;
“General Offer”	the general offer to the Eligible Shareholders, made by Assore, as contemplated by section 48(8) and section 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of the Listings Requirements, to repurchase all of the General Offer Shares for the General Offer Consideration, subject to the General Offer Conditions (subject to any modification or amendment made thereto to which Assore may agree in writing, and which the TRP approves, to the extent that the TRP’s approval is required);
“General Offer Closing Date”	the last date on which Eligible Shareholders will be entitled to accept the General Offer, which date shall be a Friday and no less than 10 Business Days after the date on which the General Offer is declared wholly unconditional, which date is expected to be Friday, 22 May 2020;
“General Offer Conditions”	the conditions to the implementation of the General Offer set out in paragraph 6.5 of this Circular;

“General Offer Consideration”	R320.00 in cash for every General Offer Share repurchased in terms of the General Offer;
“General Offer Last Day to Trade”	Tuesday, 19 May 2020, being the expected last day to trade in Shares in order to be recorded in the Register on the General Offer Closing Date;
“General Offer Opening Date”	the opening date of the General Offer, being Tuesday, 17 March 2020;
“General Offer Participants”	Eligible Shareholders to whom the General Offer is made and who lawfully and validly accept the General Offer by 12:00 on the General Offer Closing Date and who are entitled, subject to the General Offer being implemented, to receive the General Offer Consideration and “General Offer Participant” shall mean any one of them as the context requires;
“General Offer Payment Date”	in relation to a General Offer Participant, a period of six Business Days after the later of the General Offer being declared unconditional in all respects as contemplated by regulation 102(12)(a) of the Takeover Regulations and acceptance of the General Offer by such General Offer Participant;
“General Offer Period”	the period beginning at 11:00 on the General Offer Opening Date and ending at 12:00 on the General Offer Closing Date, during which the Eligible Shareholders are entitled to accept the General Offer;
“General Offer Shares”	all of the Shares, other than the Shares that the Remaining Shareholders own, being a maximum of 24 264 705 Shares;
“Group”	Assore and its Subsidiaries from time to time;
“Income Tax Act”	the Income Tax Act, No. 58 of 1962, as amended;
“Independent Board”	an independent sub-committee of the Board, consisting of Messrs Edward Southey, William Urmson and Sydney Mhlarhi, appointed to fulfil the role of an <i>“independent board”</i> , as contemplated in regulation 108 of the Takeover Regulations, all of whom are independent as contemplated in regulation 108(8) of the Takeover Regulations;
“Independent Expert” or “BDO”	BDO Corporate Finance Proprietary Limited, registration number 1983/002903/07, a private company incorporated in accordance with the laws of South Africa, appointed as independent expert to provide external advice to the Independent Board;
“JSE”	the JSE Limited, registration number 2005/022939/06, a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Practicable Date”	Friday, 6 March 2020, being the last practicable date prior to the finalisation of this Circular;
“Legal and Tax Advisor” or “Webber Wentzel”	Webber Wentzel, a partnership formed under the laws of South Africa;
“Listings Requirements”	the JSE Listings Requirements, as amended from time to time;
“Longstop Date”	has the meaning given to such term in paragraph 5.2;
“MOI” or “Assore’s MOI”	Assore’s memorandum of incorporation;
“MS 350”	Main Street 350 Proprietary Limited, registration number 2005/026562/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is beneficially held by Assore (49%), and the Boleng Trust (51%);
“MS 460”	Main Street 460 Proprietary Limited, registration number 2006/021404/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is beneficially held by MS 350 (100%);

“MS 904”	Main Street 904 (RF) Proprietary Limited, registration number 2011/008937/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is beneficially held by the Assore Employee Trust (49%), and the Fricker Road Trust (51%);
“Non-accepting Shareholders”	in the event that the Scheme does not become operative but the General Offer is implemented, those Eligible Shareholders who do not accept the General Offer in respect of all of the General Offer Shares held by them and who hold the remaining General Offer Shares, subject to the provisions of section 124(1) of the Companies Act, and “Non-accepting Shareholder” shall mean any one of them as the context may require;
“Notice of General Meeting” or “Notice”	the notice convening the General Meeting, which is attached to and forms part of this Circular;
“Offer”	the Scheme and the General Offer, as may be applicable in the circumstances;
“Offer Consideration”	collectively, the Scheme Consideration and the General Offer Consideration, or any one or each of them, as the context may require;
“Offer Participants”	collectively, the Scheme Participants and the General Offer Participants, or any one or each of them, as the context may require;
“Offer Period”	shall bear the meaning ascribed to such term in section 117(1)(g) of the Companies Act;
“Operative Date”	the Business Day on which Assore will commence settling the Scheme Consideration to Scheme Participants, being the first Business Day following the Scheme Consideration Record Date, which is expected to be Monday, 25 May 2020;
“Ordinary Resolution”	a resolution adopted by Shareholders with the support of more than 50% of the voting rights exercised on the resolution;
“Oresteel”	Oresteel Investments Proprietary Limited, registration number 1975/003008/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is beneficially held by Sumitomo Corporation, a public company listed on the Tokyo Stock Exchange (49%), and the Sacco Family (51%), including through the Desmond Sacco Family Trust, the beneficiaries of which are members of the Sacco Family;
“Other Remaining Shareholders”	members of the Sacco Family and persons/holdings related to, associated with or controlled by the Sacco Family who are Shareholders, and includes any person holding Shares as nominee for, or in a custodial capacity on behalf of, any member/s of the Sacco Family and “Other Remaining Shareholder” shall mean any one of them as the context requires;
“Own-Name Registration” or “Own-Name Dematerialised Shareholders”	the status of Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own name on the sub-register (being the list of Shareholders maintained by the CSDP and forming part of the Register);
“R” or “Rand” or “Cents”	South African Rand and Cents, the official currency of South Africa;
“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries and the Uncertificated Securities Register maintained by the relevant CSDPs in accordance with section 50 of the Companies Act;
“Remaining Shareholders”	the effective holders of 82.6% of the Shares, which are acting in concert with Assore in respect of the Offer, being, at the Last Practicable Date, Oresteel, the BEE Shareholders and the Other Remaining Shareholders, and “Remaining Shareholder” shall mean any one of them as the context requires;

“Repurchase”	bears the meaning assigned to it in paragraph 6.2.1 of the Circular;
“Repurchase Resolution”	means Special Resolution number 2 required to be approved by Shareholders in order to implement and give effect to the Repurchase under the General Offer, in terms of section 48(8) of the Companies Act;
“Resolutions”	the Ordinary Resolution and the Special Resolutions to be proposed at the General Meeting as set out in the Notice, which resolutions will, <i>inter alia</i> , authorise and approve the Scheme, the General Offer and the Delisting;
“Sacco Family”	Messrs Desmond Giulio Amedeo Sacco, Patrick Eugenio Sacco and Nicholas Giulio Sacco; and Mesdames Angela Diana Sacco, Casey Lee Sacco and Sally Giorgina Dufour Berte;
“Scheme”	the scheme of arrangement in terms of section 114(1)(e) of the Companies Act, proposed by the Independent Board between Assore and Scheme Participants, in terms of which, if the Scheme becomes operative, Assore will repurchase all of the Scheme Shares, representing all Shares held by Scheme Participants, with the Scheme Participants being obliged to transfer their rights, title and interest in and to the Scheme Shares to Assore in exchange for the Scheme Consideration, subject to the Scheme Participants’ Appraisal Rights;
“Scheme Conditions Precedent”	the scheme conditions precedent to which the Scheme is subject, as set out in paragraph 5.2 of this Circular;
“Scheme Consideration”	R320.00 for every one Scheme Share held by Scheme Participants on the Scheme Consideration Record Date;
“Scheme Consideration Record Date”	the third Business Day after the Scheme Last Day to Trade, being the latest date for holders of Shares to be registered as such in the Register in order to receive the Scheme Consideration, which date is expected to be Friday, 22 May 2020;
“Scheme Last Day to Trade”	being the last day to trade Shares on the JSE in order to be registered in the Register on the Scheme Consideration Record Date, which date is expected to be Tuesday, 19 May 2020;
“Scheme Participants”	the Shareholders, other than the Excluded Shareholders, who are registered as such in the Register on the Record Date and are therefore entitled to receive the Scheme Consideration; provided Dissenting Shareholders will only become Scheme Participants once they cease to be Dissenting Shareholders;
“Scheme Resolution”	means Special Resolution number 1 required to be approved by Shareholders in order to implement and give effect to the Scheme;
“Scheme Shares”	all of the Shares held by Scheme Participants on the Scheme Consideration Record Date;
“Scheme Voting Record Date”	the last date to be recorded in the Register in order for Shareholders to be eligible to attend, speak and vote at the General Meeting (or any adjournment thereof), being Friday, 3 April 2020;
“SENS”	the Stock Exchange News Service of the JSE;
“Shareholders”	the holders of Shares, from time to time, and “Shareholder” shall mean any one of them;
“Shares”	fully paid, ordinary shares with a par value of R0.005 each in the issued share capital of Assore;
“South Africa”	the Republic of South Africa;
“Special Resolution”	a resolution adopted by Shareholders with the support of at least 75% of the voting rights exercised on the resolution;

“Specific Repurchase”	bears the meaning assigned to it in paragraph 6.2.2 of the Circular;
“Specific Repurchase Resolution”	means Special Resolution number 3 required to be approved by Shareholders in order to implement and give effect to the specific repurchase, contemplated in paragraph 5.69(b) of the Listings Requirements;
“Strate”	Strate Proprietary Limited, registration number 1998/022242/07, a private company incorporated in accordance with the laws of South Africa, and registered as a central securities depository responsible for the electronic clearing and settlement of trades on the JSE;
“Subsidiary”	a subsidiary company as defined in section 3 of the Companies Act, but shall include a juristic person or other undertaking which would have been a subsidiary company as defined in section 3 of the Companies Act had the juristic person or other undertaking been a company; or a juristic person or other undertaking that would have been a subsidiary as defined in section 3 of the Companies Act but for the fact that it is incorporated outside of South Africa;
“Takeover Regulations”	the regulations set out in chapter 5 of the Companies Regulations;
“Tender” or “Tendered”	the tender by Eligible Shareholders of all of the General Offer Shares held by them, for disposal in terms of the General Offer;
“Transaction”	collectively the Scheme, the General Offer and the Delisting;
“Transfer Secretaries” or “Singular Systems”	Singular Systems Proprietary Limited, registration number 2002/001492/07, a private company incorporated in accordance with the laws of South Africa, being the appointed transfer secretaries to Assore;
“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act; and
“Uncertificated Securities Register”	the record of Dematerialised Shares administered and maintained by a CSDP and which forms part of the Register.



ASSORE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1950/037394/06)

JSE share code: ASR

ISIN: ZAE000146932

("Assore")

Directors

Executive Directors

Desmond Sacco (Chairman)
Charles Walters (Chief Executive Officer)
Patrick Sacco (Deputy Chief Executive Officer)
Ross Davies (Chief Financial Officer)
Bastiaan van Aswegen (Group Operations & Technical Director)

Independent Board

Edward Southey
William Urmson
Sydney Mhlarhi

Independent Non-Executive Directors

Edward Southey (Deputy Chairman and Lead Independent Director)
Delight Aitken
Sydney Mhlarhi
Thandeka Mgoduso
William Urmson

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION

- 1.1 In the Firm Intention Announcement released by Assore on Monday, 9 March 2020, Shareholders were advised of Assore's firm intention to:
 - 1.1.1 make a cash offer of R320.00 per Share to repurchase all the Shares not held by the Excluded Shareholders in accordance with section 114 of the Companies Act, by way of the Scheme; and
 - 1.1.2 make a General Offer to Shareholders, other than the Remaining Shareholders, as contemplated in section 117(1)(c)(v) of the Companies Act and in accordance with section 48 of the Companies Act and paragraphs 1.15(c) and 5.69 of the Listings Requirements, to acquire the General Offer Shares for a cash consideration of R320.00 per General Offer Share.
- 1.2 The Scheme and General Offer are proposed concurrently, however, Assore will only implement the General Offer if the Scheme fails. In this regard, in the event that the Scheme becomes operative, the General Offer will lapse. Alternatively, if the Scheme does not become operative and the General Offer becomes wholly unconditional, the General Offer will be implemented. The Offer Consideration excludes the interim dividend of R7.00 per Share declared by Assore on or about 21 February 2020, which will be payable to Shareholders in the ordinary course.

- 1.3 Implementation of the Scheme is subject to the fulfilment or waiver of the Scheme Conditions Precedent including, *inter alia*, approval of the Scheme Resolution by Shareholders. The General Offer will be subject to the fulfilment or waiver of the conditions set out in paragraph 6.5 below.
- 1.4 The Delisting will occur if: (i) pursuant to paragraph 1.17(b) of the Listings Requirements, the Scheme becomes operative; or (ii) the General Offer becomes wholly unconditional and is implemented and the Delisting Resolution is approved. The Independent Board considers the General Offer to be fair in terms of paragraph 1.15 of the Listings Requirements.
- 1.5 The Scheme Shares repurchased by Assore pursuant to the Scheme will have the same status as the Shares that have been authorised but not issued.
- 1.6 The Independent Board and the Board are in unanimous support of the Scheme and General Offer and recommend that Eligible Shareholders vote in favour of the Resolutions, including, the Scheme Resolution and the Delisting Resolution.
- 1.7 In the event that the Scheme becomes operative, the JSE has granted approval for the suspension of the listing of the Shares on the JSE with effect from the commencement of trade on the JSE on the day following the Scheme Last Day to Trade, which is expected to be Wednesday, 20 May 2020, and the termination of the listing of the Shares on the JSE from the commencement of trade on the day following the Operative Date, which is expected to be Tuesday, 26 May 2020.
- 1.8 Should the General Offer become wholly unconditional and be implemented, and the Delisting is approved, the listing of Assore on the JSE will be terminated. Subject to the General Offer becoming unconditional in accordance with its terms, the JSE has granted approval for the suspension of the listing of the Shares on the JSE with effect from the commencement of trade on the JSE on the day following the General Offer Last Day to Trade, and the termination of the listing of the Shares on the JSE from the commencement of trade on the day following the General Offer Closing Date, which date shall be a Friday and no less than 10 Business Days after the date on which the General Offer is declared wholly unconditional.

2. PURPOSE OF THIS CIRCULAR

The purpose of this Circular is to provide Shareholders with relevant information regarding the Scheme and the General Offer, including, *inter alia*, the report of the Independent Expert prepared in terms of both section 114(3) of the Companies Act and the Listings Requirements, the recommendation of the Independent Board in respect of the Scheme and the General Offer, and to give notice convening the General Meeting in order to consider and, if deemed fit, to pass with or without modification the Resolutions necessary to approve and implement the Scheme or the General Offer (including the Delisting) in accordance with the Companies Act and the Takeover Regulations. The Notice of General Meeting is attached to, and forms part of, this Circular.

To obtain a full understanding of the terms and conditions of the Scheme, the General Offer and the Delisting, this Circular should be read in its entirety.

3. NATURE OF THE BUSINESS OF ASSORE

Assore is a mining company which was first listed on the JSE in 1950. Since that time, Assore has, primarily through its shareholding in Assmang Proprietary Limited ("**Assmang**"), been involved in developing an important metals and mining presence in South Africa, with manganese and iron ore mines in the Northern Cape, a ferromanganese facility at Cato Ridge in KwaZulu-Natal and the Dwarsrivier chrome mine in Mpumalanga, as well as establishing an international commodities marketing business via Ore & Metal Company Limited.

More recently, Assore has ventured offshore with the development of the Sakura Ferroalloys ferromanganese facility in Malaysia (54.4% held by Assmang) and the purchase of a direct stake (currently 29%) in AIM-listed junior IronRidge Resources, which is exploring for various commodities in Africa.

4. RATIONALE FOR THE TRANSACTION

Assore, which has been successfully listed on the Main Board of the JSE since 1950, is currently held 52.4% by Oresteel (controlled by the Sacco Family), 26.1% by the BEE Shareholders and 4.1% directly by various members of the Sacco Family, resulting in a high level of strategic shareholding and a very low free float.

The combination of this tightly held strategic shareholding and the resultant low share liquidity, which both deters potential institutional investors and results in the share price being particularly volatile, has led the Remaining Shareholders, the Board and the Independent Board to believe that Assore is more suited to an unlisted environment, and that its continued listing provides little benefit to the strategic shareholders.

The Board has thus proposed that Assore use its available internal cash resources to buy back all of the issued shares other than the shares held by the Remaining Shareholders and subsequently delist the company from the JSE. The buyback, which will cost Assore approximately R7.8 billion, will provide minority shareholders with a valuable liquidity event.

The Offer Consideration of R320.00 per Share is a 80% premium to the closing price on the date preceding the Firm Intention Announcement, a 51% premium to the 30-day volume weighted average price on the date preceding the Firm Intention Announcement and a 36% premium to the 60-day volume weighted average price on the date preceding the Firm Intention Announcement.

5. TERMS AND CONDITIONS OF THE SCHEME

In terms of section 114(1) of the Companies Act, the Board proposes the Scheme, as set out in this paragraph 5, between Assore and the Scheme Participants.

5.1 The Scheme

- 5.1.1 Assore will repurchase the Scheme Shares from the Scheme Participants in exchange for the Scheme Consideration.
- 5.1.2 Subject to the Scheme becoming unconditional, with effect from 09:00 on the Operative Date:
 - 5.1.2.1 the Scheme Participants (whether they voted in favour of the Scheme or not or abstained or refrained from voting) shall be deemed to have disposed of (and shall be deemed to have undertaken to transfer) their Scheme Shares, free of encumbrances, to Assore, in exchange for the Scheme Consideration, and Assore shall be deemed to have acquired registered and beneficial ownership of all the Scheme Shares;
 - 5.1.2.2 the disposal and transfer by each Scheme Participant of the Scheme Shares held by each such Scheme Participant to Assore, and the acquisition and ownership of those Scheme Shares by Assore, pursuant to the provisions of the Scheme, will be effected;
 - 5.1.2.3 each Scheme Participant shall be deemed to have transferred to Assore all of the Scheme Shares held by such Scheme Participant without any further act or instrument being required; and
 - 5.1.2.4 Scheme Participants shall be entitled to receive the Scheme Consideration, subject to the remaining provisions of this paragraph 5.
- 5.1.3 Each Scheme Participant irrevocably and in its place and stead, and for and on its behalf, authorises Assore, as principal, with power of substitution, to cause the Scheme Shares disposed of by any Scheme Participant in terms of the Scheme to be transferred to, and registered in the name of, Assore on or at any time after the Operative Date, and to do all such things and take all such steps (including the signing of any transfer form) as Assore in its discretion considers necessary in order to effect that transfer and registration.
- 5.1.4 The Scheme Consideration shall be settled, in full, in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Assore may otherwise be, or claim to be, entitled against a Scheme Participant.
- 5.1.5 The rights of the Scheme Participants to receive the Scheme Consideration will be rights enforceable by Scheme Participants as against Assore only.
- 5.1.6 The effect of the Scheme will, *inter alia*, be that Assore will, with effect from the Operative Date, become the beneficial owner of all Scheme Shares, upon which such Shares shall be immediately cancelled and have the status of authorised but unissued shares. Assore shall have its securities register updated accordingly.

- 5.1.7 As a consequence of the Scheme becoming operative, an application will be made to the JSE for the delisting of all of the Shares from the JSE.

5.2 Scheme Conditions Precedent

- 5.2.1 The implementation of the Scheme is subject to the fulfilment or waiver, as the case may be, of the following Scheme Conditions Precedent by no later than Thursday, 7 May 2020 (“**Longstop Date**”):
- 5.2.1.1 all approvals, consents or waivers from those South African regulatory authorities as may be necessary for Assore to implement the Scheme, including the TRP (by means of the issue of a compliance certificate in terms of section 121(b)(i) of the Companies Act), are obtained on an unconditional basis or, to the extent that any such regulatory approvals, consents or waivers are obtained subject to any condition or qualification, Assore (to the extent that it is adversely affected by the condition or qualification) confirms in writing that the condition or qualification is acceptable to it, which confirmation shall not be unreasonably withheld or delayed;
- 5.2.1.2 all necessary Shareholder approvals and/or resolutions as may be necessary to give effect to the Scheme have been obtained, including, but not limited to, the Scheme Resolution;
- 5.2.1.3 Assore has not elected to treat the Scheme Resolution as a nullity pursuant to section 115(5)(b) of the Companies Act;
- 5.2.1.4 in the circumstances where Assore has not elected to treat the Scheme Resolution as a nullity pursuant to section 115(5)(b) of the Companies Act, a Court has granted its approval pursuant to section 115(3) of the Companies Act in circumstances where:
- 5.2.1.4.1 the Scheme Resolution is opposed by 15% or more of the voting rights that were exercised in respect of the Scheme Resolution; and
- 5.2.1.4.2 a Shareholder who voted against the Scheme Resolution requires Assore, within five Business Days after the vote, to seek Court approval pursuant to section 115(3)(a) of the Companies Act;
- 5.2.1.5 no Shareholder who voted against the Scheme Resolution applies to Court within 10 Business Days after the vote for leave to apply for a review of the Scheme in accordance with the requirements of section 115(3)(b) of the Companies Act and section 115(6) of the Companies Act;
- 5.2.1.6 Assore waives the Scheme Condition Precedent in paragraph 5.2.1.5 and the Court does not grant leave to any Shareholder to apply to Court for a review of the Scheme, as contemplated in sections 115(3)(b), 115(6) and 115(7) of the Companies Act;
- 5.2.1.7 Assore waives the Scheme Condition Precedent in paragraph 5.2.1.6 and the Court approves the Scheme Resolution pursuant to section 115(7) of the Companies Act; and
- 5.2.1.8 with regard to Shareholders entitled to and exercising their Appraisal Rights, either: (i) Shareholders give notice objecting to the Scheme as contemplated in section 164(3) of the Companies Act and vote against the Scheme at the relevant meeting in respect of less than or equal to 5% of all of the Scheme Shares; or (ii) if Shareholders give notice objecting to the Scheme and vote against the Scheme at the meeting in respect of more than 5% of all of the Scheme Shares, then, within the time period permitted in terms of the Companies Act, Dissenting Shareholders have exercised Appraisal Rights, by giving valid demands in terms of sections 164(5) to 164(8) of the Companies Act, in respect of less than or equal to 5% of all the Scheme Shares, or not at all.
- 5.2.2 Assore shall be entitled to waive (in whole or in part) in writing any one or more of the Scheme Conditions Precedent stipulated in paragraphs 5.2.1.3, 5.2.1.4, 5.2.1.5, 5.2.1.6, 5.2.1.7 and 5.2.1.8. The remaining Scheme Conditions Precedent stipulated above are not capable of waiver. The Longstop Date may be extended by Assore, subject to any approval

as may be required from the TRP. Any extension of the Longstop Date will be announced on SENS and published in the South African press.

5.3 Scheme consideration

In the event of the Scheme Conditions Precedent being fulfilled, or waived as the case may be and the Scheme becoming operative, Scheme Participants will receive the Scheme Consideration, being R320.00 per Scheme Share.

5.4 Settlement of the Scheme Consideration

5.4.1 Subject to paragraphs 5.4.2 and 5.4.4 below and subject to the Scheme becoming operative, Scheme Participants will be entitled to receive the Scheme Consideration.

5.4.2 Settlement of the Scheme Consideration is subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure 5** to this Circular.

5.4.3 Assore or the Transfer Secretaries will administer and effect payment of the Scheme Consideration to Scheme Participants.

5.4.4 If the Scheme becomes operative:

5.4.4.1 Dematerialised Shareholders who become Scheme Participants will have their account at their CSDP or Broker credited with the Scheme Consideration and debited with the Scheme Shares on the Operative Date, or in the case of Dissenting Shareholders who subsequently become Scheme Participants as envisaged in paragraph 5.8.9, on the date contemplated in paragraph 5.8.10; and

5.4.4.2 Certificated Shareholders who become Scheme Participants:

5.4.4.2.1 who have submitted their Documents of Title and submitted a Form of Surrender and Transfer (*blue*) to the Transfer Secretaries on or before 12:00 on the Scheme Consideration Record Date, will receive the Scheme Consideration posted to them by cheque, at their own risk, on or about the Operative Date, unless they elect to receive the Scheme Consideration by way of EFT on the Form of Surrender and Transfer (*blue*), in which case, the Scheme Consideration will be paid into the bank account nominated by them in Part C of the Form of Surrender and Transfer (*blue*) on or about the Operative Date. If Part C on the Form of Surrender and Transfer (*blue*) is left blank or partially completed, the Scheme Consideration will be withheld until the correct details are provided by the Certificated Shareholder; or

5.4.4.2.2 who fail to submit their Documents of Title and completed Form of Surrender and Transfer (*blue*) to the Transfer Secretaries or in respect of a Dissenting Shareholder who subsequently becomes a Scheme Participant as envisaged in paragraph 5.8.9, the Scheme Consideration payable to such Scheme Participant will be held in trust by Assore (or any third party nominated by it for this purpose) for the benefit of the Scheme Participant concerned, for a maximum period of five years, after which period such funds shall be paid over to the Guardians Fund of the Court. No interest will accrue on any such funds held by Assore.

5.4.4.3 The Scheme Consideration will be paid to Scheme Participants, in full, in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Assore may otherwise be, or claim to be entitled.

5.5 Required approvals for the Scheme

5.5.1 Pursuant to section 115(2) of the Companies Act, a scheme of arrangement in terms of section 114 of the Companies Act must be approved by a Special Resolution adopted by Shareholders entitled to exercise voting rights on such matter, at a meeting called for that purpose. At least 25% of the voting rights that are entitled to be exercised must be present at the meeting.

- 5.5.2 In the event that at least 15% of the voting rights exercised oppose the aforesaid resolution, Assore may not proceed to implement the resolution unless a Court of competent jurisdiction approves the Scheme, provided that a Shareholder who voted against the resolution requires, within five Business Days after the vote, that Assore seek Court approval for the Scheme. If the Scheme requires Court approval, Assore must either apply to Court for approval within 10 Business Days after the vote and bear the costs of the application or treat the Scheme as a nullity.
- 5.5.3 Alternatively, the resolution may only be implemented where any person who voted against the resolution, applies to Court within 10 Business Days of the vote for leave to review the transaction. A Court may grant leave only if the applicant is acting in good faith, appears to be able to sustain proceedings and alleges facts that support the order being sought. A Court may only set aside a resolution that is manifestly unfair to Shareholders or if the vote was materially tainted by a conflict of interest, for inadequate disclosure, failure to comply with the Companies Act or MOI or if there is a significant and material irregularity.
- 5.5.4 In relation to the Scheme, the Remaining Shareholders will not be entitled to vote on the Scheme Resolution.

5.6 **Effects of the Scheme and prospects of Assore in the unlisted environment**

- 5.6.1 The effect of the Scheme will be that Assore will, with effect from the Operative Date, become the beneficial owner of all the Scheme Shares upon which such Shares shall be immediately cancelled and have the status of authorised but unissued shares. Assore shall have its securities register updated accordingly.
- 5.6.2 The nature of Assore's business is not likely to change pursuant to the Delisting. The composition of the Board will be considered and may be reconstituted in light of the governance requirements for an unlisted company in accordance with the Companies Act requirements following the Delisting.
- 5.6.3 The unlisted environment may not meet certain Shareholders' investment objectives and the Shareholders are given the opportunity to dispose of their Shares prior to the Delisting in terms of the Scheme and, if applicable, the General Offer.

5.7 **Amendments, variations and modifications to the Scheme**

- 5.7.1 Subject to compliance with the Companies Act, the Takeover Regulations and the Listings Requirements and consent from the TRP, Assore will be entitled to:
- 5.7.1.1 before or at the General Meeting, but prior to Shareholders casting their votes, make any amendment, variation or modification to the Scheme; or
- 5.7.1.2 after the General Meeting, make any amendment, variation or modification to the Scheme, provided that no amendment, variation or modification made after the General Meeting may have the effect of negatively affecting the rights which will accrue to a Scheme Participant in terms of the Scheme.
- 5.7.2 Shareholders will be notified of any changes on SENS and published in the South African press.
- 5.7.3 All dates and times referred to in this Circular are subject to change. Any such change shall be published on SENS and in the South African press.

5.8 **Dissenting Shareholders**

- 5.8.1 Shareholders are hereby advised of their Appraisal Rights in terms of section 164 of the Companies Act. This paragraph 5.8 only provides a summary of the provisions relating to Shareholders' Appraisal Rights in terms of section 164 of the Companies Act, the full provisions of which are contained in **Annexure 8** to this Circular.
- 5.8.2 Shareholders who wish to exercise their Appraisal Rights in terms of the aforementioned section of the Companies Act are required, before the Scheme Resolution to approve the Scheme is voted on at the General Meeting, to give notice to Assore in writing objecting to the Scheme Resolution in terms of section 164(3) of the Companies Act.

- 5.8.3 Within 10 Business Days after the Scheme Resolution has been adopted, Assore must send a notice to each Shareholder who gave Assore the notice referred to in paragraph 5.8.2 of this Circular and has neither withdrawn that notice nor voted in favour of the Scheme Resolution, informing them that the Scheme Resolution has been adopted.
- 5.8.4 A Shareholder who gave written notice to Assore in terms paragraph 5.8.2 (and has not withdrawn that notice) and who has complied with all the procedural requirements set out in section 164 may, in terms of sections 164(5) to 164(8) of the Companies Act, if the Scheme Resolution is adopted, deliver a written notice to Assore demanding that Assore pay to that Shareholder the fair value for all the Shares held by that Shareholder ("**Demand**"). The Demand must be delivered:
- 5.8.4.1 within 20 Business Days after receipt of the notice from Assore referred to in paragraph 5.8.3 of this Circular; or
- 5.8.4.2 if the Shareholder does not receive the notice from Assore referred to in paragraph 5.8.3 of this Circular, within 20 Business Days after learning that the Scheme Resolution has been adopted.
- 5.8.5 The Demand above must also be delivered to the TRP and must set out:
- 5.8.5.1 the Dissenting Shareholder's name and address;
- 5.8.5.2 the number of Shares in respect of which the Dissenting Shareholder seeks payment; and
- 5.8.5.3 a demand for payment of the fair value of those Shares. The fair value of the Shares is determined as at the date on which, and the time immediately before, the Scheme Resolution was adopted.
- 5.8.6 A Dissenting Shareholder may withdraw its Demand before Assore makes an offer in accordance with section 164(11) of the Companies Act or if Assore fails to make such an offer. If a Dissenting Shareholder voluntarily withdraws its Demand, it will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Shares will be repurchased by Assore, in accordance with paragraph 5.4 above, with retrospective effect from the Operative Date.
- 5.8.7 If Assore receives a Demand and such Demand is not withdrawn by the Dissenting Shareholder before the Operative Date, Assore shall, in accordance with section 164(11) of the Companies Act, within five Business Days of the Operative Date, make an offer to the Dissenting Shareholder to purchase such Shares.
- 5.8.8 Assore's offer made in accordance with section 164(11) of the Companies Act will, in accordance with the requirements of section 164(12)(b) of the Companies Act, lapse if it is not accepted by the Dissenting Shareholder within 30 Business Days after it was made.
- 5.8.9 A Dissenting Shareholder that, pursuant to the exercise of its Appraisal Rights, has sent a Demand to Assore has no further rights in respect of the Shares in respect of which it has made such Demand, other than to be paid the fair value of such Shares. Such Dissenting Shareholder will be excluded from the Scheme and will not receive the Scheme Consideration, unless:
- 5.8.9.1 that Dissenting Shareholder withdraws that Demand before Assore makes an offer in accordance with section 164(11) of the Companies Act or allows any offer made by Assore to lapse;
- 5.8.9.2 Assore fails to make an offer in accordance with section 164(11) of the Companies Act and that Dissenting Shareholder withdraws its Demand; or
- 5.8.9.3 Assore revokes the Scheme Resolution by a subsequent Special Resolution, in which case that Dissenting Shareholder's rights in respect of the relevant Shares shall, in terms of section 164(10) of the Companies Act, be reinstated without interruption.
- 5.8.10 If the Scheme becomes operative, any Dissenting Shareholder whose shareholder rights are reinstated as envisaged in paragraph 5.8.9 of this Circular:

- 5.8.10.1 before 12:00 on the Scheme Consideration Record Date, shall be deemed to be a Scheme Participant and be eligible to participate in the Scheme and be subject to the ordinary terms and conditions of the Scheme; or
- 5.8.10.2 after 12:00 on the Scheme Consideration Record Date, shall be deemed to have been a Scheme Participant with retrospective effect from the Scheme Record Date, provided that settlement of the Scheme Consideration and transfer of that Dissenting Shareholder's Scheme Shares to Assore shall take place in accordance with paragraph 5.4.4.1 or paragraph 5.4.4.2 of this Circular, as the case may be,
- and such Dissenting Shareholder, as a term of the Scheme, authorises Assore and/or the Transfer Secretaries in its place and stead, and for and on its behalf, to transfer its Scheme Shares to Assore against payment of the Scheme Consideration and to take all other action and steps necessary to give effect to the foregoing.
- 5.8.11 A Dissenting Shareholder who accepts an offer made in terms of section 164(11) of the Companies Act will become an Excluded Dissenting Shareholder and will not participate in the Scheme. The Excluded Dissenting Shareholder must thereafter, if it: (i) holds Certificated Shares, tender the Documents of Title in respect of such Certificated Shares to Assore or the Transfer Secretaries; or (ii) holds Dematerialised Shares, instruct its CSDP or Broker to transfer those Shares to Assore or the Transfer Secretaries. Assore must pay that Excluded Dissenting Shareholder the offered amount within 10 Business Days after the Excluded Dissenting Shareholder has accepted the offer and tendered the Documents of Title or directed the transfer to Assore of the Dematerialised Shares, as the case may be.
- 5.8.12 A Dissenting Shareholder who considers the offer made by Assore in accordance with section 164(11) of the Companies Act to be inadequate, may, in accordance with section 164(14) of the Companies Act, apply to a Court to determine a fair value in respect of the Shares that were the subject of the Demand, and an order requiring Assore to pay the Dissenting Shareholder the fair value so determined. The Court will, in accordance with section 164(15)(v) of the Companies Act, be required to make an order relating to:
- 5.8.12.1 the Dissenting Shareholders, to either withdraw their respective demands or to tender their Shares as contemplated in paragraph 5.8.13; or
- 5.8.12.2 Assore, to pay the fair value in respect of the Shares (as determined by the Court) to each Dissenting Shareholder who tenders its Shares, subject to any conditions the Court considers necessary to ensure that Assore fulfils its obligations under section 164 of the Companies Act.
- 5.8.13 If, pursuant to the order of the Court, any Dissenting Shareholder withdraws its Demand, the Dissenting Shareholder will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Shares will be repurchased by Assore, in accordance with paragraph 5.4 above, with retrospective effect from the Operative Date.
- 5.8.14 If, pursuant to the order of the Court, a Dissenting Shareholder tenders its Shares to Assore, such Dissenting Shareholder will become an Excluded Dissenting Shareholder and will not participate in the Scheme.
- 5.8.15 Shareholders should have regard to the fact that, in appropriate circumstances as detailed in section 164 of the Companies Act, the Court is empowered to grant a costs order in favour of, or against, a Dissenting Shareholder, as may be applicable.
- 5.8.16 Shareholders wishing to exercise their Appraisal Rights are strongly advised to take professional advice in connection with such decision.
- 5.8.17 A copy of section 164 of the Companies Act, which sets out the Appraisal Rights, is included in **Annexure 8** to this Circular.

5.9 Termination Events

The Scheme will terminate and the Scheme Resolution will be treated as a nullity with immediate effect upon the Board's determination that any or all of the Scheme Conditions Precedent have not been fulfilled (or waived, to the extent possible) on or before the relevant date for fulfilment (or waiver, to the extent possible).

5.10 Tax consequences for Scheme Participants

The tax implications of the Scheme will depend on the individual tax circumstances of each Scheme Participant and the tax jurisdictions applicable to such Scheme Participant. It is recommended that Scheme Participants seek advice from appropriate professional advisors if they are in any doubt whatsoever about their tax position.

6. TERMS AND CONDITIONS OF THE GENERAL OFFER

6.1 Terms of the General Offer

- 6.1.1 If the Scheme fails, Assore will implement a General Offer, in terms of sections 48 and 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of the Listings Requirements, to the Eligible Shareholders, whereby each Eligible Shareholder will be entitled to elect whether or not to dispose of all of their General Offer Shares to Assore for the General Offer Consideration.
- 6.1.2 For the avoidance of doubt, implementation of the General Offer will be conditional on, *inter alia*, the Scheme not becoming operative. In the event that the Scheme does become operative, the General Offer will lapse and be of no force and effect.
- 6.1.3 If the Scheme does not become operative, and the General Offer becomes wholly unconditional and is implemented, then the Delisting will be implemented in terms of paragraph 1.14 of the Listings Requirements and each General Offer Participant will receive the General Offer Consideration in exchange for the General Offer Shares Tendered and disposed of to Assore.
- 6.1.4 The effect of the General Offer will be that, with effect from the General Offer Payment Date, Assore will acquire and own all the General Offer Shares Tendered and previously held by the General Offer Participants. The repurchase of the General Offer Shares by Assore, following the implementation of the General Offer, will be subject to the acceptances of the General Offer and the provisions of section 124(1) of the Companies Act as set out in paragraph 6.8 of this Circular. In the event that the General Offer is implemented and accepted by Eligible Shareholders holding at least 90% of the General Offer Shares, Assore may, at its election, invoke the provisions of section 124(1) of the Companies Act, to compulsorily acquire all of the General Offer Shares not already tendered by the Eligible Shareholders.
- 6.1.5 If the Scheme does not become operative and the General Offer becomes wholly unconditional and is implemented, and Assore elects not to invoke the provisions of section 124(1) of the Companies Act, Eligible Shareholders who have not accepted the General Offer will remain Shareholders in Assore.
- 6.1.6 Shareholders should note that, in terms of paragraph 6.5.2.1, Assore can waive the 90% acceptance condition for the General Offer (as contained in paragraph 6.5.1.4). Should the other General Offer Conditions be fulfilled (which includes the Delisting Resolution being adopted) and the General Offer be implemented, Assore will repurchase all Shares Tendered by Eligible Shareholders regardless of whether the 90% acceptance threshold is reached. In such circumstances, all Eligible Shareholders who do not Tender their Shares in terms of the General Offer will remain Shareholders of Assore and will continue to hold their Shares in an unlisted environment following Assore's Delisting. Furthermore, even if the 90% acceptance condition is fulfilled and the General Offer is implemented pursuant to the Delisting Resolution being adopted, Assore may elect not to invoke the provisions of section 124(1) of the Companies Act, in which event Eligible Shareholders who have not accepted the General Offer will remain Shareholders in Assore following its Delisting.

6.2 The General Offer in terms of section 48 of the Companies Act and paragraphs 5.67 and 5.69 of the Listings Requirements

- 6.2.1 The General Offer is considered to be a repurchase by Assore of its own Shares in terms of section 48 of the Companies Act ("**Repurchase**").
- 6.2.2 The General Offer is also considered to be a specific repurchase by Assore from the General Offer Participants in terms of the Listings Requirements ("**Specific Repurchase**").

6.2.3 Assore is permitted to implement the General Offer in terms of its MOI.

6.3 The General Offer Consideration

6.3.1 If the Scheme does not become operative and the General Offer becomes wholly unconditional, Assore will acquire all of the General Offer Shares Tendered by the General Offer Participants for the General Offer Consideration.

6.3.2 The General Offer Consideration shall be settled in full, in accordance with the terms of the General Offer without regard to any *lien*, right of set-off, counterclaim or other analogous right to which Assore, may otherwise be, or claim to be, entitled against a General Offer Participant.

6.3.3 For details regarding the settlement of the General Offer Consideration, Eligible Shareholders are referred to paragraph 6.7 of this Circular for more information.

6.4 The General Offer Period

6.4.1 The General Offer is irrevocable and will be open for acceptance from 11:00 on the General Offer Opening Date, and will, in the event that the Scheme does not become operative but subject to it becoming unconditional, close at 12:00 on the General Offer Closing Date, in accordance with Takeover Regulations 102(4) and 105(5)(b).

6.4.2 Accordingly, the General Offer will remain open for acceptance by those Eligible Shareholders that are recorded in the Register at any time during the General Offer Period, subject to the Scheme not becoming operative. In the event that the Scheme becomes operative the General Offer will lapse.

6.4.3 In accordance with Takeover Regulation 103(1)(b)(i), Assore may, in its absolute and sole discretion, extend the General Offer Period. Shareholders will be notified of any such extension on SENS and in the South African press.

6.5 The General Offer Conditions

6.5.1 Implementation of the General Offer is subject to the fulfilment or waiver, as the case may be, of the following conditions ("**General Offer Conditions**") by no later than Thursday, 7 May 2020:

6.5.1.1 the Scheme does not become operative;

6.5.1.2 all necessary Shareholder approvals and/or resolutions as may be necessary to give effect to the General Offer have been obtained, including, but not limited to the Repurchase Resolution and the Specific Repurchase Resolution;

6.5.1.3 the Delisting Resolution is adopted by the requisite majority of Eligible Shareholders at the General Meeting as contemplated in paragraphs 1.15(a) and 1.16 of the Listings Requirements;

6.5.1.4 Eligible Shareholders accept the General Offer in respect of so many General Offer Shares as will result in Assore reacquiring more than 90% of the General Offer Shares, such that Assore can rely on the provisions of section 124 of the Companies Act;

6.5.1.5 the receipt of all approvals, consents or waivers from those South African regulatory authorities as may be necessary for Assore to implement the General Offer and Delisting, including the TRP (by means of issue of a compliance certificate in terms of section 121(b)(i) of the Companies Act) on an unconditional basis or, to the extent that any such regulatory approvals, consents or waivers are obtained subject to any condition or qualification, Assore (to the extent that it is adversely affected by the condition or qualification) confirms in writing that the condition or qualification is acceptable to it, which confirmation shall not be unreasonably withheld or delayed; and

6.5.1.6 to the extent that Appraisal Rights are found to apply to the General Offer, and Shareholders exercise such Appraisal Rights, either: (i) Shareholders give notice objecting to the Repurchase Resolution as contemplated in section 164(3) of

the Companies Act and vote against the Repurchase Resolution at the relevant meeting in respect of less than or equal to 5% of all of the General Offer Shares; or (ii) if Shareholders give notice objecting to the Repurchase Resolution and vote against the Repurchase Resolution at the meeting in respect of more than 5% of all of the General Offer Shares, then, within the time period permitted in terms of the Companies Act, such Shareholders have exercised Appraisal Rights, by giving valid demands in terms of sections 164(5) to 164(8) of the Companies Act, in respect of less than or equal to 5% of all the General Offer Shares, or not at all.

6.5.2 **Waiver and extension of General Offer Conditions**

- 6.5.2.1 The General Offer Conditions set out in paragraphs 6.5.1.3, 6.5.1.4 and 6.5.1.6 are capable of waiver by Assore, and the time and/or date for fulfilment or waiver of such General Offer Conditions may be extended by Assore as may be agreed between Assore and the TRP.
- 6.5.2.2 The General Offer Conditions set out in paragraphs 6.5.1.1, 6.5.1.2 and 6.5.1.5 are not capable of waiver but the time and/or date for fulfilment of these General Offer Conditions may be extended by Assore as may be agreed between Assore and the TRP.
- 6.5.2.3 An announcement will be released on SENS as soon as practicable after all the General Offer Conditions have been fulfilled or waived, if the General Offer Conditions are not fulfilled or waived timeously, or if the time and/or date for fulfilment or waiver of the General Offer Conditions is extended.

6.6 **Procedure for acceptance of the General Offer**

- 6.6.1 Subject to the Scheme not becoming operative, if an Eligible Shareholder does not wish to accept the General Offer in respect of any of the General Offer Shares held by them they do not need to take any further action and will continue to hold their General Offer Shares and will be deemed to be a Non-accepting Shareholder. Non-accepting Shareholders are advised that in the event that the General Offer is implemented, Assore may invoke the provisions of section 124(1) of the Companies Act.
- 6.6.2 For the avoidance of doubt, Eligible Shareholders will be entitled to accept the General Offer from 11:00 on the General Offer Opening Date however, any General Offer Shares Tendered will not be acquired by Assore until such time as the General Offer is implemented (which itself is conditional on the Scheme not becoming operative and the General Offer becoming wholly unconditional).
- 6.6.3 **Dematerialised Shareholders**
 - 6.6.3.1 Eligible Shareholders who hold Dematerialised Shares and who wish to accept the General Offer in respect of all of their General Offer Shares are required to accept the General Offer in accordance with the instructions set out above on page 9 of this Circular.
 - 6.6.3.2 Once an Eligible Shareholder's acceptance of the General Offer in respect of any of its General Offer Shares has been communicated to the Transfer Secretaries, such acceptance of the General Offer will be final and irrevocable, and the Eligible Shareholder may not withdraw its acceptance of the General Offer unless expressly permitted by the Companies Regulations.
 - 6.6.3.3 If an Eligible Shareholder's acceptance is not communicated to the Transfer Secretaries through a Broker or CSDP by 12:00 on the General Offer Closing Date, such Eligible Shareholder who holds Dematerialised Shares will be deemed to have declined the General Offer and will continue to hold its General Offer Shares and remain a Shareholder, subject to the Scheme not becoming operative or section 124(1) of the Companies Act. Late acceptances of the General Offer may be accepted or rejected at Assore's sole discretion.
 - 6.6.3.4 Dematerialised Shareholders must **NOT** complete the Form of Acceptance and Transfer (*pink*).

6.6.3.5 The attention of Dematerialised Shareholders is drawn to the fact that, if they accept the General Offer, they will not be entitled to rematerialise and/or trade or otherwise deal in their General Offer Shares that have been Tendered between the date of acceptance and the General Offer Payment Date, or if the General Offer is not implemented, between the date of acceptance and the date on which the General Offer lapses. Dematerialised Shareholders will, however, be entitled to sell such General Offer Shares Tendered to Assore in terms of the Scheme and to receive the Scheme Consideration in respect of such General Offer Shares Tendered in the event that the Scheme becomes operative.

6.6.4 **Certificated Shareholders**

6.6.4.1 Eligible Shareholders who hold Certificated Shares and who wish to accept the General Offer in respect of all of their General Offer Shares are required to accept the General Offer by completing the Form of Acceptance and Transfer (*pink*) and delivering it, together with the Documents of Title in respect of the General Offer Shares Tendered by them, in accordance with the instructions set out in the section titled "*Action Required by Shareholders in respect of the General Offer*" of this Circular, to the Transfer Secretaries by no later than 12:00 on the General Offer Closing Date.

6.6.4.2 Once a duly completed and signed Form of Acceptance and Transfer (*pink*) together with the Documents of Title in respect of the General Offer Shares Tendered is received by the Transfer Secretaries in respect of any of an Eligible Shareholder's General Offer Shares, such acceptance of the General Offer will be final and irrevocable and such Eligible Shareholder may not withdraw its acceptance of the General Offer unless expressly permitted by the Companies Regulations.

6.6.4.3 If the General Offer is not validly accepted by an Eligible Shareholder who holds Certificated Shares by 12:00 on the General Offer Closing Date, the General Offer will be deemed to have been declined by that Eligible Shareholder. Late acceptances may be accepted or rejected at Assore's sole discretion.

6.6.4.4 Eligible Shareholders holding Certificated Shares and who complete the Form of Surrender and Transfer (*blue*) and return it, together with the relevant Documents of Title, to the Transfer Secretaries in anticipation of the Scheme becoming operative, and who wish to accept the General Offer, will still be required to complete the Form of Acceptance and Transfer (*pink*), but will not be required to surrender their Documents of Title again.

6.6.4.5 Forms of Acceptance and Transfer (*pink*) and Documents of Title that are sent through the post are sent at the risk of the Certificated Shareholders concerned. Accordingly, Certificated Shareholders should take note of the postal delivery times so as to ensure that acceptances of the General Offer are received timeously. It is therefore recommended that duly completed Forms of Acceptance and Transfer (*pink*), and Documents of Title be sent by registered post, or delivered by hand to the Transfer Secretaries.

6.6.4.6 No receipt will be issued for Documents of Title surrendered unless specifically requested.

6.6.4.7 Documents of Title surrendered in acceptance of the General Offer will be held in trust by the Transfer Secretaries, at the risk of the relevant Certificated Shareholders, pending the General Offer being implemented.

6.6.4.8 If Documents of Title relating to any General Offer Shares Tendered are lost or destroyed, Assore may dispense with the surrender of such Documents of Title upon production of evidence satisfactory to Assore that the Documents of Title in respect of any of the General Offer Shares in question have been lost or destroyed and upon provision of a suitable indemnity on terms satisfactory to Assore. Accordingly, if the Documents of Title in respect of any of General Offer Shares Tendered by a Certificated Shareholder have been lost or destroyed, such Certificated Shareholder should nevertheless return the Form of Acceptance and Transfer (*pink*), duly signed and completed, to the Transfer Secretaries, together

with a duly signed and completed indemnity form which is obtainable from the Transfer Secretaries.

6.6.4.9 The attention of Eligible Shareholders who are Certificated Shareholders is drawn to the fact that, if they surrender their Documents of Title pursuant to their acceptance of the General Offer, they:

6.6.4.9.1 will continue to be entitled to attend, speak and vote at the General Meeting as if the surrender of Documents of Title had not occurred; and

6.6.4.9.2 will not be entitled to Dematerialise, trade or otherwise deal in their General Offer Shares that have been Tendered between the date of surrender and the General Offer Payment Date, or if the General Offer is not implemented, between the date of surrender and the date on which their General Offer Shares are returned to them as set out in this Circular, provided that they will be entitled to sell such General Offer Shares Tendered in terms of the Scheme and to receive the Scheme Consideration in respect of such General Offer Shares Tendered in the event that the Scheme becomes operative.

6.6.4.10 If the General Offer lapses because any of the General Offer Conditions are not fulfilled or waived, then any Documents of Title surrendered and held by the Transfer Secretaries will be returned to the relevant Eligible Shareholders by the Transfer Secretaries, at such Eligible Shareholders' own risk, by registered post within approximately five Business Days from the date on which the General Offer lapses or the Scheme does not become operative, whichever is the later.

6.6.4.11 Assore reserves the right, in its absolute and sole discretion:

6.6.4.11.1 to treat as valid, Forms of Acceptance and Transfer (*pink*) not accompanied by the relevant Documents of Title (or, if applicable, evidence reasonably satisfactory to Assore that the Documents of Title in respect of the relevant General Offer Shares have been lost or destroyed and an indemnity reasonably acceptable to Assore, as detailed above);

6.6.4.11.2 to treat as valid, Forms of Acceptance and Transfer that have not been completed in accordance with the instructions set out in this Circular and the Form of Acceptance and Transfer (*pink*); and

6.6.4.11.3 to require proof of the authority of the person signing a Form of Acceptance and Transfer (*pink*), where such proof has not been lodged with, or recorded by, the Transfer Secretaries.

6.7 Settlement of the General Offer Consideration

6.7.1 In the event that the General Offer becomes wholly unconditional and is implemented, General Offer Participants will be entitled to receive the General Offer Consideration in respect of the General Offer Shares Tendered by them in terms of the General Offer.

6.7.2 Settlement of the General Offer Consideration shall be subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure 5** to this Circular.

6.7.3 Settlement of the General Offer Consideration will be administered and effected by Assore or the Transfer Secretaries, on behalf of Assore.

6.7.4 Assore's obligation to make payment of the General Offer Consideration to the General Offer Participants will be fully and finally discharged upon Assore making payment of the General Offer Consideration to the Transfer Secretaries.

6.7.5 Dematerialised Shareholders

If the General Offer becomes wholly unconditional and is implemented, General Offer Participants who hold Dematerialised Shares will have their accounts held at their Broker or CSDP debited with the relevant number of General Offer Shares Tendered and credited with the General Offer Consideration in respect of such General Offer Shares Tendered, within

six Business Days of the later of the General Offer being declared wholly unconditional and acceptance of the General Offer.

6.7.6 **Certificated Shareholders**

6.7.6.1 If the General Offer becomes wholly unconditional and is implemented, General Offer Participants who hold Certificated Shares and who deliver a duly completed Form of Acceptance and Transfer (*pink*) and surrender their Documents of Title to the Transfer Secretaries in accordance with the instructions set out in the section titled "*Action Required by Shareholders in respect of the General Offer*" of this Circular on or before 12:00 on the General Offer Closing Date, will have the General Offer Consideration in respect of such General Offer Shares Tendered:

6.7.6.1.1 posted to them by cheque, at their own risk, within six Business Days of the later of the General Offer being declared wholly unconditional and acceptance of the General Offer; or

6.7.6.1.2 paid into the bank account nominated by them in Part C of the Form of Acceptance and Transfer (*pink*) within six Business Days of the later of the General Offer being declared wholly unconditional and acceptance of the General Offer, if they elect to receive the General Offer Consideration by way of EFT on the Form of Acceptance and Transfer (*pink*). If Part C on the Form of Acceptance and Transfer (*pink*) is left blank or partially completed, the General Offer Consideration will be withheld until the correct details are provided by the Certificated Shareholder.

6.7.6.2 If any General Offer Consideration that is posted is returned undelivered for any reason whatsoever, Assore will hold that General Offer Consideration in trust until it is claimed by any person legally entitled to it, for a maximum period of five years, after which period such funds shall be paid over to the Guardians Fund of the Court. No interest will accrue or be paid on any General Offer Consideration so held in trust.

6.8 **Compulsory acquisition in terms of section 124 of the Companies Act**

6.8.1 In the event that the General Offer is implemented and accepted by Eligible Shareholders holding at least 90% of the General Offer Shares, Assore may, at its election, invoke the provisions of section 124(1) of the Companies Act, to compulsorily acquire all of the General Offer Shares not already Tendered by the Eligible Shareholders.

6.8.2 Should the requisite number of acceptances be obtained to allow the provisions of section 124(1) of the Companies Act to be invoked and if Assore does so invoke them, the prescribed notice will be sent to the Non-accepting Shareholders, as envisaged in section 124(1)(a) of the Companies Act, and will incorporate a Form of Acceptance and Transfer (*pink*).

6.8.3 The provisions of section 124 of the Companies Act are set out in **Annexure 7** to this Circular.

6.9 **Tax consequences for General Offer Participants**

The tax implications of the General Offer will depend on the individual tax circumstances of each General Offer Participant and the tax jurisdictions applicable to such General Offer Participant. It is recommended that General Offer Participants seek advice from appropriate professional advisors if they are in any doubt whatsoever about their tax position.

6.10 **General**

Within one Business Day of the fulfilment or waiver (to the extent permitted) of all of the General Offer Conditions, Assore shall publish an announcement on SENS to such effect. Upon publication of the aforementioned SENS announcement, all of the General Offer Conditions shall be deemed to have been fulfilled or waived (to the extent permitted) notwithstanding that Assore may subsequently discover that any General Offer Condition may not have been fulfilled or waived (as applicable).

6.11 Appraisal Rights

- 6.11.1 Shareholders are referred to paragraph VIII of the section titled “*Action Required by Shareholders in respect of the General Offer*” commencing on page 9 of this Circular regarding the TRP’s view in respect of the General Offer constituting a scheme of arrangement.
- 6.11.2 To the extent applicable, the provisions of paragraph 5.8 (and any related provisions of the Notice) apply *mutatis mutandis* to General Offer Participants in respect of Special Resolution number 2 as contained in the Notice. Shareholders are also referred to **Annexure 8** to this Circular, which contains an extract of the provisions of section 164 of the Companies Act.

7. TERMINATION EVENTS

- 7.1 The Scheme and/or General Offer (as applicable) will terminate and, as regard the Scheme, the Scheme Resolution will be treated as a nullity, with immediate effect, upon the Board’s determination that any or all of the Scheme Conditions Precedent or General Offer Conditions, as the case may be, have not been fulfilled (or waived, to the extent possible) on or before the relevant date/s for fulfilment (or waiver, to the extent possible).
- 7.2 In the event that the Scheme does not become unconditional or is otherwise not implemented for whatsoever reason, the Shares held by the Dissenting Shareholders will not be purchased by Assore in terms of section 164 of the Companies Act.

8. AUTHORITY TO IMPLEMENT THE SCHEME, GENERAL OFFER AND DELISTING

At the General Meeting, the following Resolutions regarding approvals required to implement the Scheme, the Repurchase, the Specific Repurchase and the Delisting will be proposed to Eligible Shareholders:

- 8.1 as a Special Resolution:
- 8.1.1 the approval of the Scheme Resolution in accordance with sections 48(8)(a), 48(8)(b), 114(1)(e) and 115(2)(a) of the Companies Act; and
- 8.1.2 the approval of the Repurchase of Shares, in terms of section 48(8) of the Companies Act; and
- 8.1.3 the approval of the Specific Repurchase of Shares, in terms of paragraph 5.69 of the Listings Requirements; and
- 8.2 as an Ordinary Resolution, the Delisting of all the Shares on the Main Board of the JSE in accordance with paragraphs 1.15 and 1.16 of the Listings Requirements.

9. AGREEMENTS IN RELATION TO THE OFFER AND THE REMAINING SHAREHOLDERS

- 9.1 The Remaining Shareholders have agreed not to participate in the Offer and thereby not receive the Offer Consideration.
- 9.2 With the exception of the arrangement noted in paragraphs 9.1 and 9.3, no agreements or understandings which have any connection with or dependence on the Offer exist between Assore or any person acting in concert with it or any Directors or any person who was an Assore director within the period commencing 12 months prior to the date on which details of the Offer were published in the press, or any person which is or was a Shareholder within the abovementioned period as at the Last Practicable Date.
- 9.3 Assore and the Remaining Shareholders are considered to be concert parties in relation to the Offer in terms of regulation 84 of the Takeover Regulations and have therefore made declarations in the required form to Assore and the TRP, as applicable, as required by regulation 84(5) of the Takeover Regulations. The Remaining Shareholders will, accordingly, abstain from voting on the Resolutions (other than the Specific Repurchase Resolution) at the General Meeting.
- 9.4 Other than as set out in this Circular, no other written agreements exist between Assore and any Shareholders which could be considered material to a decision regarding the Offer to be taken by Shareholders.

10. OPINIONS AND RECOMMENDATIONS

10.1 Appointment of the Independent Expert

The Independent Board has appointed the Independent Expert, an independent advisor acceptable to the TRP, to provide a fair and reasonable opinion regarding the Scheme and the General Offer, and to make appropriate recommendations to the Independent Board and the Board in the form of a report contemplated in section 114(3) of the Companies Act and as contemplated in regulation 90 of the Takeover Regulations. Similarly, in accordance with paragraph 1.15(d) and schedule 5 of the Listings Requirements, the Independent Board appointed the Independent Expert for the purposes of providing external advice in regard to the fairness of the General Offer Consideration in so far as same relates to the Delisting, in the event that the Scheme does not become operative but the General Offer is implemented. The Independent Expert's report on the Scheme and the General Offer is set out in **Annexure 1** to this Circular.

10.2 Report of the Independent Expert

- 10.2.1 The Independent Expert has, as contemplated in regulation 110(3) of the Takeover Regulations, performed a valuation of the Shares.
- 10.2.2 The report of the Independent Expert also includes the items required by section 114(3) of the Companies Act.
- 10.2.3 Taking into consideration the terms and conditions of the Scheme and the General Offer, the Independent Expert is of the opinion that such terms and conditions are fair and reasonable to Scheme Participants and General Offer Participants, as the case may be. Shareholders are referred to **Annexure 1** to this Circular which sets out the full text of the report of the Independent Expert.

10.3 Views of the Independent Board

- 10.3.1 The Independent Board, after due consideration of the report of the Independent Expert, and in accordance with its responsibilities in terms of regulation 110 of the Takeover Regulations, has formed a view of the range of the fair value of the Shares, which is within the valuation range contained in the Independent Expert's opinion. The Independent Board is not aware of factors that are difficult to quantify, or are unquantifiable, to take into account in forming its opinion.
- 10.3.2 The Independent Board has not received any other offers during the Offer Period or within six months before the Offer Period. The Offer Consideration is within the Independent Expert's valuation range for the fair value per Share.
- 10.3.3 The Independent Board, taking into account the report of the Independent Expert, has considered the terms and conditions thereof, and is unanimously of the opinion that the terms and conditions of the Scheme and the General Offer are fair and reasonable to Shareholders and, accordingly, unanimously recommends that Shareholders vote in favour of the Resolutions.

10.4 Views of the Board

- 10.4.1 Shareholders should take note that the Board, taking into account the report of the Independent Expert, has considered the terms and conditions thereof, and is unanimously of the opinion that the terms and conditions of the Scheme and the General Offer are fair and reasonable to Eligible Shareholders and unanimously recommends that Eligible Shareholders vote in favour of the Resolutions.
- 10.4.2 In terms of paragraph 1.15(d) of the Listings Requirements the Board taking into account the report of the Independent Expert, insofar as it relates to the Delisting, has considered the terms and conditions thereof, and is unanimously of the opinion that the terms and conditions of the General Offer are fair to the Eligible Shareholders and recommends that Eligible Shareholders vote in favour of the Delisting Resolution and accept the General Offer.

10.5 Voting of the Board

Directors who are Shareholders that are not Excluded Shareholders intend to vote all of the Shares that they own or control in favour of the Resolutions at the General Meeting or accept the General Offer in respect of all such Shares, whichever is applicable.

11. ADEQUACY OF CAPITAL

11.1 Assore will use its existing cash resources to fund the Offer Consideration.

11.2 The Board has considered the impact of the Scheme and the General Offer and is of the opinion that:

11.2.1 the relevant provisions of sections 4, 46 and 48 of the Companies Act in relation to the Offer have been complied with or will be complied with;

11.2.2 the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months from the date of approval of this Circular;

11.2.3 the assets of the Group will be in excess of its liabilities for a period of 12 months from the date of approval of this Circular, where for this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of the Group;

11.2.4 the share capital and reserves of the Group will be adequate for ordinary business purposes for a period of 12 months from the date of approval of this Circular; and

11.2.5 the working capital of the Group will be adequate for ordinary business purposes for a period of 12 months from the date of approval of this Circular.

11.3 Furthermore, the Board states as follows:

11.3.1 in terms of section 46(1)(a)(ii) of the Companies Act and paragraph 5.69(d) of the JSE Listings Requirements, the Board has, by resolution, authorised the Offer;

11.3.2 in terms of section 46(1)(b) of the Companies Act, it reasonably appears that Assore and the Group will satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act ("**Solvency and Liquidity Test**") immediately after completing the Offer; and

11.3.3 in terms of section 46(1)(c) of the Companies Act and paragraph 5.69 of the JSE Listings Requirements, the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that Assore will satisfy the Solvency and Liquidity Test immediately after completing the Offer and that, since the Solvency and Liquidity Test was performed by the Board on 6 March 2020, there have been no material changes to the financial position of Assore and the Group, including since the end of the six-month period ended 31 December 2019 and the Last Practicable Date.

12. GUARANTEE

12.1 The maximum aggregate number of Scheme Shares to be repurchased for the Scheme Consideration will be 24 264 705 Scheme Shares and accordingly the maximum aggregate Scheme Consideration payable by Assore will be R7 764 705 600.

12.2 The maximum aggregate number of General Offer Shares to be acquired in terms of the General Offer will be 24 264 705 General Offer Shares and accordingly the maximum aggregate General Offer Consideration payable by Assore will be R7 764 705 600.

12.3 The funds to settle the Scheme Consideration or the General Offer Consideration, as applicable, are available from Assore's existing cash resources, and Assore has procured from The Standard Bank of South Africa Limited and has delivered to the TRP, an irrevocable, unconditional bank guarantee (in conformity with regulations 111(4) and 111(5) of the Takeover Regulations) in respect of the maximum possible Scheme Consideration or General Offer Consideration, whichever is applicable.

12.4 Assore confirms, in accordance with regulation 106(6)(c) of the Takeover Regulations, that the Offer Consideration has not been financed by debt, but from available internal cash resources.

13. DEALINGS IN SHARES BY REMAINING SHAREHOLDERS

Neither Assore, nor the Remaining Shareholders dealt in Shares in the period beginning six months before the date of the Firm Intention Announcement.

14. INFORMATION RELATING TO ASSORE

14.1 Major Shareholders

As at the Last Practicable Date, insofar as is known to Assore, only the below Shareholders were, directly or indirectly, beneficially interested in 5% or more of the Shares:

Shareholder	Total Shares	Total % ¹
Oresteel	73 190 000	52.43%
MS 904	16 464 450	11.79%
MS 460	15 367 000	11.01%
Total	105 021 450	75.23%

¹ Based on 139 607 000 Shares in issue as at the Last Practicable Date.

14.2 Share Capital

The authorised and issued stated capital of Assore as at the Last Practicable Date is set out below:

	R'000
Authorised	
200 000 000 ordinary shares with a par value of R0.005 each	1 000
Issued	
139 607 000 ordinary shares with a par value of R0.005 each	698
Treasury	–
Share premium account	264 092

Following implementation of the Offer, the authorised and issued stated capital of Assore will be as follows*:

	R'000
Authorised	
200 000 000 ordinary shares with a par value of R0.005 each	1000
Issued	
115 342 295 ordinary shares with a par value of R0.005 each	(576)
Treasury	–
Share premium account	264 092

*Assumes Assore exercises its rights in terms of section 124 of the Companies Act, to the extent that the General Offer becomes unconditional and is implemented.

15. INFORMATION ON DIRECTORS

15.1 Interests of Directors in Shares

The direct and indirect beneficial interests of the Directors, and their associates (as defined in the Listings Requirements), in Shares, including Directors who have resigned over the last 18 months as at the Last Practicable Date are set out in the table below:

Director	Beneficial direct	Beneficial indirect	Shares held by associates	Total	%
Desmond Sacco (Executive Director)	580 000	32 430 489	495 000	33 505 489	23.99%
Patrick Sacco (Executive Director)	215 080	–	12 500	227 580	0.16%
Bastiaan van Aswegen (Executive Director)	6 305	–	–	6 305	0.00%
Total	801 385	32 430 489	507 500	33 739 374	24.15%

There have been no changes to the Directors', and their associates', interest disclosures as set out above since the last financial year-end, being 30 June 2019, and the Last Practicable Date.

15.2 Directors' dealings in Shares

No Directors dealt in Shares in the period beginning six months before the date of the Firm Intention Announcement.

15.3 Directors' interests in the Offer

Desmond Sacco and Patrick Sacco are Remaining Shareholders and, as such, will not be participating in the Offer. Save for his direct and/or indirect participation in the Offer as a Shareholder, Bastiaan van Aswegen does not have any direct or indirect beneficial interest in the Offer.

15.4 Directors' remuneration

The composition of the Board will be considered and may be reconstituted in light of the governance requirements for an unlisted company in accordance with the Companies Act requirements following the Delisting. The Directors' remuneration and benefits are set out in the consolidated audited historical financial statements of Assore for the financial year ended 30 June 2019, which is available on Assore's website (www.assore.com). There will be no change to the remuneration of the Directors as a result of the Offer.

15.5 Service agreements

There are no service contracts with Directors entered into or amended within six months before the date of the Firm Intention Announcement, and there will be no amendment to the service contracts with Directors as a result of the Offer. Service contracts with Directors are available for inspection in accordance with paragraph 26 below.

16. IRREVOCABLE UNDERTAKINGS

As at the Last Practicable Date, the following Eligible Shareholders have provided irrevocable undertakings to vote the stated number of Shares, which are either held as principal or on behalf of clients, in favour of the Resolutions in respect of which they are entitled to vote (including the Scheme Resolution, the Repurchase Resolution and the Delisting Resolution) or such additional number of Shares as they may hold at the time of the General Meeting (together, the "Relevant Shares"). These Eligible Shareholders have furthermore irrevocably undertaken to accept the General Offer in respect of all of the Relevant Shares.

Eligible Shareholder	Number of Shares held	Per- centage of Shares
Investec Asset Management	9 046 345	6.48%
Public Investment Corporation	4 035 929	2.89%
Total	13 082 274	9.37%

Notes:

1. The percentage of Shares is calculated based on 139 607 000 shares in issue, as at the Last Practicable Date.
2. The aforementioned Eligible Shareholders have provided irrevocable undertakings equal to 53.91% of all Shares eligible to vote on the Scheme Resolution, the Repurchase Resolution and the Delisting Resolution.
3. Details of the aforementioned Eligible Shareholders' dealings in Shares for the six month period prior to the Last Practicable Date are set out in **Annexure 9**.

These irrevocable undertakings are available for inspection as stated in paragraph 26 below.

17. FINANCIAL INFORMATION

17.1 The extracts of the consolidated audited historical financial statements of Assore for the years ended 30 June 2017, 30 June 2018 and 30 June 2019 are included in **Annexure 2** to this Circular.

17.2 Full copies of the last three years' audited historical financial statements will: (i) be made available to Shareholders, on request; and (ii) is accessible on Assore's website (www.assore.com), as follows:

17.2.1 for the year ended 30 June 2017 – <https://www.assore.com/wp-content/uploads/2017/10/Assore-afs-lores.pdf>;

17.2.2 for the year ended 30 June 2018 – <https://www.assore.com/wp-content/uploads/2017/10/Assore-financial-statements-2018-FINAL.pdf>; and

17.2.3 for the year ended 30 June 2019 – <https://www.assore.com/wp-content/uploads/2020/01/FY-19-Annual-Financial-Statements.pdf>,

and (iii) are available for inspection, at the registered office of Assore, in accordance with the provisions of paragraph 26 below.

17.3 The unaudited condensed consolidated interim results of Assore for the six months ended 31 December 2019 are included in **Annexure 3** to this Circular.

17.4 In terms of regulation 106(6)(d) of the Takeover Regulations, since the Offer Consideration is a cash offer and not an offer for shares, no *pro forma* financial effects are required.

17.5 The Offer will result in a decrease of cash resources of Assore with a corresponding decrease in stated capital.

18. FOREIGN SHAREHOLDERS AND EXCHANGE CONTROL REGULATIONS

Annexure 5 to this Circular contains a summary of the Exchange Control Regulations as they apply to Offer Participants. Offer Participants who are Foreign Shareholders must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the Offer Consideration, including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, Offer Participants should consult their professional advisors immediately.

19. RESTRICTED JURISDICTIONS

To the extent that the release, publication or distribution of this Circular in certain jurisdictions outside of South Africa may be restricted or prohibited by the laws of such jurisdiction, then this Circular is deemed to have been provided for information purposes only and the Board accepts no responsibility for any failure by Foreign Shareholders to inform themselves about, and to observe, any applicable legal requirements in any such relevant foreign jurisdiction.

Shareholders who are in doubt as to their position should consult their professional advisors immediately.

20. NOTICE OF GENERAL MEETING

The General Meeting will be held at Assore's registered office, 15 Fricker Road, Illovo Boulevard, Johannesburg, South Africa, 2196 at 11:00 on Thursday, 16 April 2020 (or any other adjourned or postponed date and time in accordance with the provisions of section 64 of the Companies Act and the MOI, as read with the Listings Requirements), to consider and, if deemed fit, approve, with or without modification, the Resolutions.

The Notice of General Meeting is attached to and forms part of this Circular.

21. MATERIAL CHANGES

There have been no material changes in the financial or trading position of Assore and the Group since the end of the six month period ended 31 December 2019 and the Last Practicable Date.

22. SUSPENSION AND TERMINATION OF THE ASSORE LISTING

Subject to the Scheme becoming unconditional and being implemented or the Delisting Resolution being passed, and the General Offer being implemented in the event that the Scheme does not become operative, the Delisting is currently envisaged to take place with effect from Tuesday, 26 May 2020, subject to the events set out in the section titled "*Salient Dates and Times*" of this Circular.

23. ADVISORS' CONSENTS

All the parties listed in the section titled "*Corporate information and Advisors*" have consented in writing to act in the capacities stated and to their names being stated in this Circular and, in the case of the Independent Expert, to the inclusion of their reports in the form and context in which they have been reproduced in this Circular, and have not withdrawn their consents prior to publication of this Circular.

24. ASSORE RESPONSIBILITY STATEMENTS

The Independent Board and the Board, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular which relates to the Scheme and the General Offer as well as the extracts of information relating to Assore and certifies that, to the best of their knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular. The Independent Board and the Board has made all reasonable enquiries to ascertain that no facts have been omitted and this Circular contains all information required by law, the Companies Act and the Listings Requirements.

25. COSTS¹

It is estimated that the total expenses relating to the Offer will amount to approximately R52 979 million (costs are exclusive of value added tax) and includes the following:

Description	Service Provider	Estimated Amount (R'000)
Securities Transfer Tax	SARS	20 000
Financial Advisor and Sponsor	Standard Bank	15 000
Bank fees in respect of Guarantee and Financing	Standard Bank	7 000
Legal and Tax Advisor	Webber Wentzel	4 500
Trustee and Director Meeting Fees ²	Various	2 500
Independent Financial Advisory	Sandra du Toit	1 500
Independent Expert	BDO	1 100
Printing and Postage	Ince	500
Documentation Review	TRP	465
Evaluation of Transaction Impact on Employee Trusts	Deloitte	250
Transfer Secretaries	Singular Systems	100
Documentation Review	JSE	62
Exchange Control	The South African Reserve Bank	2
Total		52 979

Notes:

1. *Costs pertaining to the Offer shall be borne by Assore.*
2. *The "Trustee and Director Meeting Fees" include ad hoc meeting fees payable to: (i) the trustees of each of the Assore Employee Trust, the Boleng Trust and the Fricker Road Trust; and (ii) the directors of each of the BEE Shareholders (being MS 350, MS 460 and MS 904), in connection with their attendance at meetings to, amongst others, consider and approve the Scheme, the General Offer and the Delisting.*

26. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the registered office of Assore, from Monday, 16 March 2020 up to and including the end of the Offer Period, being Friday, 22 May 2020:

- 26.1 Assore's MOI;
- 26.2 the memorandums of incorporation/constitutional documents of Assore's major subsidiaries being:
(i) AMT; (ii) Dwarsrivier Chrome Mine Proprietary Limited, registration number 2011/105280/07;
(iii) Minerais US LLC, company number 0600073568; and (iv) Ore & Metal Company Limited, registration number 1930/002363/06;
- 26.3 the signed opinion of the Independent Expert;
- 26.4 the consolidated audited historical financial statements of Assore for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019;
- 26.5 the unaudited condensed consolidated interim results of Assore for the six months ended 31 December 2019;
- 26.6 the consents referred to in paragraph 23;
- 26.7 copies of the irrevocable undertakings referred to in paragraph 16 of this Circular;
- 26.8 service agreements with the Directors; and
- 26.9 a signed copy of this Circular.

Signed on behalf of the Independent Board

Signed on behalf of the Board

Edward Southey
Monday, 16 March 2020

Charles Walters
Monday, 16 March 2020

OPINION OF THE INDEPENDENT EXPERT

Private and confidential

The Independent Board

Assore Limited

Assore House

15 Fricker Road

Illovo Boulevard

Johannesburg

09 March 2020

Dear Sirs/Mesdames

REPORT OF THE INDEPENDENT PROFESSIONAL EXPERT TO ASSORE LIMITED REGARDING THE PROPOSED ACQUISITION OF 17.39% OF THE ISSUED ORDINARY SHARE CAPITAL IN ASSORE BY WAY OF A SCHEME OF ARRANGEMENT AND GENERAL OFFER (IF APPLICABLE)

1. INTRODUCTION

In terms of the firm intention announcement published by Assore Limited (“Assore” or the “Company”) on the Stock Exchange News Service (“**SENS**”) of the exchange operated by the JSE Limited (“JSE”) on Monday, 9 March 2020, holders of ordinary shares with a par value of R0.005 each in the issued share capital of Assore (“**Shares**”), (“**Shareholders**”) were advised of the firm intention by the Company to make an offer to acquire a maximum of 17.39% of the issued shares in the Company (the “**Offer**”).

The Offer will be implemented by way of:

- an offer to all “**Eligible Shareholders**”, being all Assore shareholders (“**Shareholders**”) other than Oresteel Investments Proprietary Limited (“**Oresteel**”), each of Main Street 350 Proprietary Limited (“**MS 350**” or “Assore’s BEE Structure”), Main Street 460 Proprietary Limited (“**MS 460**”) and Main Street 904 (RF) Proprietary Limited (“**MS 904**”) (the “**BEE Shareholders**”) and members of the Sacco Family and persons/holdings related to, associated with or controlled by the Sacco Family who are Shareholders (the “**Other Remaining Shareholders**”) (together the “**Remaining Shareholders**”), to acquire all of the Shares other than those Shares held by the Remaining Shareholders (together, “**Scheme Shares**”) from holders of Scheme Shares (“**Scheme Participants**”) for a cash consideration of R320 per Scheme Share (“**Scheme Consideration**”), in accordance with the provisions of sections 48 and 114(1)(e) of the Companies Act, No. 71 of 2008, as amended (“**Companies Act**”) and paragraph 1.17(b) of the Listings Requirements of the JSE (“**Listings Requirements**”), by way of a scheme of arrangement (“**Scheme**”); and
- separate to the Scheme, but concurrently with it, a conditional general offer (“**General Offer**”) by Assore to Eligible Shareholders (“**General Offer Participants**”), to acquire all of the Shares other than those Shares held by the Remaining Shareholders (“**General Offer Shares**”) for a cash consideration of R320 per General Offer Share (“**General Offer Consideration**”), in accordance with the provisions of sections 48 and 117(1)(c)(v) of the Companies Act and paragraphs 1.15(c) and 5.69 of the Listings Requirements, such General Offer to be implemented only if the Scheme fails.

The Scheme and the General Offer are proposed concurrently on the basis that implementation of the General Offer will be conditional on, *inter alia*, the Scheme not becoming operative. In this regard, in the event that the Scheme becomes operative, the General Offer will lapse, alternatively, if the Scheme does not become operative and the General Offer becomes wholly unconditional, the General Offer will be implemented.

The listing of the Assore Shares on the main board of the securities exchange operated by the JSE will be terminated pursuant to the Scheme becoming operative and paragraph 1.17(b) of the Listings Requirements or, if the Scheme fails, pursuant to the General Offer being implemented and paragraph 1.15(c) of the Listings Requirements (“**Delisting**”). The Scheme, General Offer and Delisting are collectively referred to as the “**Transaction**”.

The authorised and issued share capital of Assore as at Friday, 6 March 2020, being the last practicable date prior to the finalisation of the circular to Assore Shareholders regarding the Transaction (“**Circular**”) (“**Last Practicable Date**”) is set out below:

	Share Capital (R'000)
Authorised share capital	
200,000,000 Assore Shares	1 000
Issued share capital	
139,607,000 Assore Shares ⁽¹⁾	1
No Assore Shares held as treasury shares	–
Share premium	264 092
Share capital and premium net of treasury shares	264 093

¹As at the Last Practicable Date, Oresteel Investments (Pty) Ltd held 73,190,000 Ordinary Shares, *MS 460 held 15,367,000 Ordinary Shares and *MS 904 held 16,464,450 Ordinary Shares

*Black economic empowerment partner

The material interests of the directors are set out in section 15 of the Circular and the effect of the Scheme on those interest and persons are set out in this section of the Circular.

Extracts of sections 115 and 164 of the Companies Act are set out in **Annexure 6** and **Annexure 8** respectively of the Circular and are incorporated herein by reference for purposes of section 114(3)(g) of the Companies Act.

2. **FAIR AND REASONABLE OPINION REQUIRED IN RESPECT OF THE SCHEME**

The Scheme is an affected transaction as defined in section 117(1)(c) of the Companies Act. In terms of section 114(2) of the Companies Act, as read with Regulations 90 and 110 of the Companies Regulations, 2011 (“**Companies Regulations**”), the independent board of directors of Assore constituted in terms of the Companies Act (“**Independent Board**”) is required to retain an independent expert to provide an independent expert report (in the form of a fair and reasonable opinion) in terms of section 114(3) of the Companies Act and Regulations 90 and 110 of the Companies Regulations (the “**Fair and Reasonable Opinion**”).

BDO Corporate Finance Proprietary Limited (“**BDO Corporate Finance**”) has been appointed as the independent expert by the Independent Board to assess the Scheme and the Scheme Consideration as required in terms of section 114 of the Companies Act and Regulations 90 and 110 of the Companies Regulations. The Fair and Reasonable Opinion set out herein is provided to the Independent Board for the sole purpose of assisting the Independent Board in forming and expressing an opinion on the Scheme and Scheme Consideration for the benefit of Scheme Participants.

3. **FAIRNESS OPINION REQUIRED IN TERMS OF THE LISTINGS REQUIREMENTS**

In terms of paragraph 1.15(d) of the Listings Requirements, the Board is required to obtain a fairness opinion from an independent professional expert confirming whether the General Offer is fair insofar as General Offer Participants are concerned (the “**Fairness Opinion**”) and to advise General Offer Participants accordingly.

BDO Corporate Finance has been appointed as the independent professional expert by the Independent Board to provide the Fairness Opinion in respect of the General Offer.

The Fair and Reasonable Opinion and Fairness Opinion are together referred to as the “**Independent Expert Report**”.

4. **RESPONSIBILITY**

Compliance with the Listings Requirements is the responsibility of the Board. Compliance with the Companies Act and the Companies Regulations is the responsibility of the Independent Board. Our responsibility is to report to the Board, Independent Board and Shareholders on whether the terms and conditions of the Scheme and the Scheme Consideration are fair and reasonable to Scheme Participants and whether the terms and conditions of the General Offer and the General Offer Consideration are fair to General Offer Participants.

5. **DEFINITION OF THE TERMS “FAIR” AND “REASONABLE” APPLICABLE IN THE CONTEXT OF THE OFFER**

The “fairness” of a transaction is based on quantitative issues. A transaction will generally be considered to be fair to a company’s shareholders if the benefits received, as a result of the transaction, are equal to or greater than the value given up.

The Scheme will be considered fair if the Scheme Consideration is equal to or more than the fair value per Share and unfair if the Scheme Consideration is less than the fair value per Share.

The General Offer will be considered fair if the General Offer Consideration is equal to or more than the fair value per Share and unfair if the General Offer Consideration is less than the fair value per Share.

The assessment of reasonableness of a transaction is generally based on qualitative considerations surrounding an offer. Hence, even though the consideration to be paid in respect of an offer may be lower than the market value, the offer may be considered reasonable after considering other significant qualitative factors. The Scheme may be said to be reasonable if the Scheme Consideration is greater than the trading price of a Share as at the time of announcement of the Scheme, or at some other more appropriate identifiable time.

6. **DETAILS AND SOURCES OF INFORMATION**

In arriving at our opinion we have relied upon the following principal sources of information:

- The terms and conditions of the Transaction, as set out in the Circular;
- Audited annual financial statements of Assore for the years ended 30 June 2017, 2018 and 2019;
- Mineral Resources and Reserves Report in respect of the mineral assets held wholly or partly by Assore as at 30 June 2019;
- Unaudited results of Assore for the half-year ended 31 December 2019;
- For each of Assore’s wholly or partly held operations (“**Assets**”), we were provided with five year business plans in nominal terms, as well as life of mine (“**LoM**”) models, ranging from seven years, up to a maximum of thirty years, prepared by management of Assore and their professional advisors;
- Cash flow model in respect of the Assore’s attributable interest in MS 350 and redeemable preference shares issued by MS 904;
- Discussions with executive management of Assore and their professional advisors regarding the rationale for the Transaction;
- Discussions with executive management of Assore or their professional advisors regarding the historical and forecast financial information of the Assets;
- Discussions with executive management of Assore or their professional advisors on prevailing market, economic, legal and other conditions which may affect underlying value; and
- Publicly available information relating to Assore that we deemed to be relevant, including company announcements and media articles.

The information above was secured from:

- Executive management of Assore or their professional advisors; and
- Third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Assore.

7. PROCEDURES

In arriving at our opinion we have undertaken the following procedures and taken into account the following factors:

- Reviewed the terms and conditions of the Transaction;
- Reviewed the financial and other information related to Assore, as detailed above;
- Reviewed and obtained an understanding from executive management of Assore or their professional advisors as to the forecasts of each Asset for the forecast financial periods commensurate to the Asset's LoM up to a maximum of 30 years. Considered the forecasts and the basis of the assumptions therein including the prospects of the Assets. This review included an assessment of the reasonableness of the outlook assumed based on discussions with management or their professional advisors and an assessment of the achievability thereof by considering historical information as well as macro-economic and sector-specific data;
- Performed a sum of the parts ("**SOTP**") valuation of Assore as well as an Assore Share;
- Assessed the long-term potential of Assore and the Assets;
- Evaluated the relative risks associated with the Assets and the Mining sector;
- Held discussions with the executive directors and management of Assore and/or their professional advisors as to the long-term strategy and the rationale for the Transaction and considered such other matters as we considered necessary, including assessing the prevailing economic and market conditions and trends in the Mining sector;
- Reviewed certain publicly available information relating to Assore and the Mining sector that we deemed relevant, including company announcements and media articles; and
- Performed such other studies and analyses as we considered appropriate and have taken into account our assessment of general economic, market and financial conditions and our experience in other transactions, as well as our experience in securities valuation and knowledge of the Mining sector generally.

8. ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- That all agreements that are to be entered into in terms of the Transaction will be legally enforceable;
- That the Transaction will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives of Assore or their professional advisors; and
- That reliance can be placed on the financial information of Assore.

9. APPROPRIATENESS AND REASONABLENESS OF UNDERLYING INFORMATION AND ASSUMPTIONS

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by:

- Determining the extent to which representations from management were confirmed by documentary evidence as well as our understanding of Assore and the Assets and the economic environment in which the Assore operates.

10. LIMITING CONDITIONS

This opinion is provided in connection with and for the purposes of the Transaction. The opinion does not purport to cater for each individual Shareholder's perspective, but rather that of the general body of Shareholders.

Individual Shareholders' decisions regarding the Transaction may be influenced by such Shareholders' particular circumstances and accordingly individual Shareholders should consult an independent adviser if in any doubt as to the merits or otherwise of the Transaction.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our opinion, whether in writing or obtained in discussion with management, by reference to publicly available or independently obtained information. While our work has involved an analysis of, *inter alia*, the annual financial statements, and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

We have also assumed that the Transaction will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisors of Assore and we express no opinion on such consequences.

Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

11. INDEPENDENCE, COMPETENCE AND FEES

We confirm that neither we nor any person related to us (as contemplated in the Companies Act) have a direct or indirect interest in Shares or the Transaction, nor have had within the immediately preceding two years, any relationship as contemplated in section 114(2)(b) of the Companies Act, and specifically declare, as required by Regulation 90(6)(i) and 90(3)(a) of the Companies Regulations, that we are independent in relation to the Transaction and will reasonably be perceived to be independent taking into account other existing relationships and appointments. We also confirm that we have the necessary competence to provide the Fair and Reasonable Opinion and meet the criteria set out in section 114(2)(a) of the Companies Act.

We confirm that we do not, nor does any person related to us (as contemplated in the Listings Requirements), have any relationship with Assore or with any party involved in the Transaction as contemplated in paragraph 5.12 of schedule 5 of the Listings Requirements, and that we have not, nor has any person related to us, had such a relationship within the immediately preceding two years.

Furthermore, we confirm that our professional fees of R1,100,000 (excluding VAT) are not contingent upon the success of the Transaction. Our fees are not payable in shares.

12. VALUATION APPROACH AND RESULTS

BDO Corporate Finance performed a valuation of Assore based on SOTP valuation based on the fair value of each Asset to determine whether the Transaction is fair to Shareholders.

The valuation the Assets took into account discounted cash flow (“DCF”) analysis and analyses of comparable projects and companies (where appropriate). The DCF valuations take into account forecast cash flows from 1 January 2020 onwards.

The valuation methodologies employed in respect of each Asset are detailed below (i.e. the 50% attributable interest in the Assets held by Assmang Proprietary Limited (“**Assmang**”) and the other Assets held directly by Assore):

Asset	Category	Primary valuation approach	Comments
Khumani	Iron Ore	DCF	Operating mine with LoM plan
Beeshoek	Iron Ore	DCF	Operating mine with LoM plan
Black Rock 2	Manganese	DCF	Operating mines with LoM plan (Gloria and Nchwaning)
Cato Ridge Works	Smelters	DCF	Operating smelter with business plan
Cato Ridge Alloys	Smelters	DCF	Operating smelter with business plan
Sakura Ferroalloys	Smelters	DCF	Operating smelter with business plan
Assmang cash/ debt	Financial assets	Carrying value	Fair value based on carrying value

Dwarsrivier	Other assets	Chrome	DCF	Operating mine with LoM plan
AMT		Mktg & Mgmt	DCF	Technical services and management company with business plan
Ore & Metal		Mktg & Mgmt	DCF	Marketing services company with business plan
IronRidge Resources		Listed equities	Market value	AIM listed equities valued on market price
Share Investments		Listed equities	Market value	Listed shares valued on market price
Property Investments		Properties	Market value	Independent Property Valuations
PV BEE Pref Shares		Other	DCF	Net present value of expected cash flows
Assore's share in the BEE Structure	Other	DCF	Attributable fair value	
Net cash/ debt	Financial assets	Carrying value	Fair value based on carrying value	

The key external value driver to the DCF valuation of the Assets is the price assumption for commodities and products produced by the Assets. Key internal value drivers include discount rates, production rates and the estimated LoM, operating costs, royalties and capital expenditure requirements.

The key real commodity prices and exchange rate forecasts applied in the DCF valuations for the commodities produced by the Assets are detailed in the table below:

Assumption	Unit	FY20	FY21	FY22	FY23	FY24	Long term
Iron Ore 62% CIF	USD/t	83	72	68	65	62	62
Manganese Ore 44% Mn CIF China	USD/dmtu	4.5	4.7	4.8	4.9	5.1	5.1
Chrome Ore 44% Cr CIF China	USD/t	160	205	215	225	220	150

The following table summarises projected attributable production for the Assets (50% for Assmang Assets). The figures below include attributable actual production for the full years commencing 1 July 2016. The DCF analysis takes into account attributable cash flows from 1 January 2020:

Production	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Iron ore (kt)	9 139	8 886	8 927	8 925	8 925	8 925	8 925
Manganese ore (kt)	1 397	1 595	1 636	1 715	1 710	1 697	1 788
Manganese alloy (kt)	105	110	104	105	107	110	112
Chrome (kt)	1 523	1 541	1 498	1 562	1 721	1 914	1 916

Khumani and Beeshoek are open pit iron ore mines with a combined attributable reserves of ~470Mt expected to mine for ~22 years and ~7 years respectively. The mines have high quality iron ore with grades averaging ~63% which is sold locally but primarily exported.

Black Rock has total reserves of ~293Mt with a 28 year LoM and is expected to produce ~4.7Mtpa from the Nchwaning (~3.5Mtpa) and Gloria mines (~1.2Mtpa). The 28 year LoM has been informed by duration of the mining rights. The implied resources remaining after the 28 year LoM are ~366Mt (Nchwaning ~116Mt and Gloria ~249Mt) to which an average developer multiple of ZAR2.48/t has been applied.

Dwarsrivier has total reserves of ~59Mt with high quality chrome ore grades averaging ~36%. It has a 22 year LoM.

The risk of the Assets is expressed in the discount rate applied to the projected future cash flows. A real weighted average cost of capital ("WACC") of 8.4% (nominal WACC of 14.5%) was determined for Assore. The valuations were re-performed using base case assumptions and applying a range of discount rates based on different risk scenarios, including market risk, financing risk, mining risk and operational risk. The sensitivity analysis was performed by increasing and decreasing the base case

discount rate by a maximum of 1.0%. The discount rate sensitivity analysis did not indicate a sufficient effect on the valuation of Assore to alter our opinion in respect of the Transaction.

13. VALUATION RESULTS

In undertaking the valuation exercise above, we have determined a valuation range of R297 to R345 per Share, with a most likely value of R321 per Share. The Scheme Consideration and General Offer Consideration of R320 is within the suggested price per the ordinary share range calculation from our valuation and is consistent with our most likely value.

The valuation range above is provided solely in respect of this opinion and should not be used for any other purposes.

14. REASONABLENESS OF THE OFFER CONSIDERATION

The Scheme Consideration represents a premium of 51% to the volume weighted average price (“VWAP”) of the Shares on the JSE of R211.97 for the 30 days up to the date immediately prior to the Firm Intention Announcement.

15. OPINION

The Scheme Consideration represents a premium of 51% to the 30-day VWAP per Share on the JSE up to 06 March 2020 and within the suggested range calculated from our valuation. The rationale for the Transaction is set out in paragraph 4 of the Circular. We are not aware of any material adverse effects of the Transaction.

BDO Corporate Finance has considered the proposed terms and conditions of the Offer in respect of the Scheme Consideration and General Offer Consideration.

Based upon and subject to the conditions set out herein, BDO Corporate Finance is of the opinion that the terms and conditions of the Scheme and the Scheme Consideration, in respect of the Scheme, are fair and reasonable to Scheme Participants.

For purposes of paragraph 1.15(d) of the Listings Requirements, BDO Corporate Finance confirms that it is of the opinion that the General Offer is fair insofar as the General Offer Participants are concerned.

Our opinion is necessarily based upon the information available to us up to 06 March 2020, including in respect of the financial, market and other conditions and circumstances existing and disclosed to us at the date thereof. We have furthermore assumed that all conditions precedent, including any material regulatory and other approvals and consents required in connection with the Transaction have been fulfilled or obtained.

Accordingly, it should be understood that subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm.

16. CONSENT

We hereby consent to the inclusion of this Independent Expert Report, in whole or in part, and references thereto in the Firm Intention Announcement (as defined in the Circular) and any other announcement or document pertaining to the Transaction, in the form and context in which they appear.

Yours faithfully

N Lazanakis

Director

BDO Corporate Finance Proprietary Limited
22 Wellington Road
Parktown
2193

EXTRACTS OF THE CONSOLIDATED AUDITED HISTORICAL FINANCIAL STATEMENTS OF ASSORE FOR THE FINANCIAL YEARS ENDED 30 JUNE 2017, 30 JUNE 2018 AND 30 JUNE 2019

The report of historical financial information is the responsibility of the Directors of Assore. Full copies of the consolidated audited historical financial statements of Assore for the years ended 30 June 2017, 30 June 2018 and 30 June 2019:

- (i) will be made available to Shareholders, on request; (ii) are accessible on Assore's website (www.assore.com), as follows:
 - a. for the year ended 30 June 2017 – <https://www.assore.com/wp-content/uploads/2017/10/Assore-afs-lores.pdf>;
 - b. for the year ended 30 June 2018 – <https://www.assore.com/wp-content/uploads/2017/10/Assore-financial-statements-2018-FINAL.pdf>; and
 - c. for the year ended 30 June 2019 – <https://www.assore.com/wp-content/uploads/2020/01/FY-19-Annual-Financial-Statements.pdf>,

and (iii) are available for inspection, at the registered office of Assore, in accordance with the provisions of paragraph 26 of the Circular.

Consolidated income statement

	Year ended 30 June		
	2019 R'000	2018 R'000	2017 R'000
Revenue	8,140,469	7,804,737	7,223,959
Turnover	6,301,572	6,305,587	5,945,266
Cost of sales	(5,369,083)	(4,800,780)	(4,200,692)
Gross profit	932,489	1,504,807	1,744,574
<i>Add: Other income</i>			
Commissions on sales and technical fees	1,262,429	979,005	920,055
Foreign exchange gains	40,971	59,827	11,779
Dividend income (2017: Investment income)	55,462	17,778	353,512
Interest income	557,437	502,368	–
Bargain purchase gain	–	–	256,755
Profit on sale of available-for-sale listed investments	–	42,432	–
Other income	3,398	26,159	7,026
<i>Less: Other expenses</i>			
Finance costs	(55,302)	(19,394)	(19,662)
Foreign exchange losses	(200)	(6,896)	(401)
Mining royalty taxes	(67,909)	(138,938)	(178,148)
Impairment of furniture, fittings and office equipment	–	(9,519)	–
Impairment of non-financial assets	–	(21,564)	–
Staff remuneration and benefits	(368,518)	(375,672)	(332,600)
Other expenses	(279,648)	(247,921)	(290,613)
Profit before taxation	2,080,609	2,312,472	2,472,277
Taxation	(629,756)	(645,546)	(583,420)
Profit after taxation, before joint-venture entity and associates	1,450,853	1,666,926	1,888,857
Share of profit from joint-venture entity, after taxation	4,536,396	3,524,287	3,266,282
Share of losses in associates	(23,317)	(16,211)	(16,809)
Profit for the year	5,963,932	5,175,002	5,138,330
Attributable to:			
Shareholders of the holding company	5,932,037	5,119,329	5,021,171
Non-controlling shareholders' share of profits in subsidiary companies	31,895	55,673	117,159
As above	5,963,932	5,175,002	5,138,330
Earnings per share (cents) (basic and diluted)	5,751	4,963	4,867

Consolidated statement of comprehensive income

	Year ended 30 June		
	2019 R'000	2018 R'000	2017 R'000
Profit for the year (as above)	5,963,932	5,175,002	5,138,330
Items that may be reclassified into the income statement dependent on the outcome of a future event	12,302	162,862	(210,563)
Gains on revaluation to available-for-sale listed investments, after taxation	–	32,933	38,251
Gains on revaluation to market value of available-for-sale listed investments	–	77,024	49,292
Deferred capital gains taxation thereon	–	(44,091)	(11,041)
Exchange differences on translation of foreign operations	12,302	129,929	(248,814)
– recorded by joint-venture entity and foreign listed associate	8,511	127,810	
– recorded by foreign subsidiary	3,791	2,119	
Items that may not be reclassified into the income statement dependent on the outcome of a future event	46,975	17,206	26,959
Gains on revaluation to market value of financial assets measured at fair value through other comprehensive income, after taxation	43,295	–	–
Gains on revaluation to market value of financial assets measured at fair value through other comprehensive income, after taxation	55,792	–	–
Deferred capital gains taxation thereon	(12,497)	–	–
Actuarial gains in pension fund, after taxation	3,680	17,206	26,959
Total comprehensive income for the year, net of taxation	6,023,209	5,355,070	4,954,726
Less: Comprehensive income attributable to non-controlling shareholders	(33,753)	(57,709)	(104,364)
Attributable to shareholders of the holding company	5,989,456	5,297,361	4,850,362

Consolidated statement of financial position as at

	Year ended 30 June		
	2019 R'000	2018 R'000	2017 R'000
ASSETS			
Non-current assets			
Investment in joint-venture entity	17,215,032	15,984,321	15,327,400
Property, plant and equipment	1,510,943	1,132,725	873,531
Intangible assets	634,751	661,140	711,111
Investments			
– financial assets measured at fair value through other comprehensive income (2018 and 2017: available-for-sale listed investments)	317,795	262,003	229,376
– foreign listed associate	187,387	154,896	108,729
– financial assets measured at fair value through profit of loss (2018 and 2017: available-for-sale unlisted investments)	3,354	7,568	24,098
Pension fund surplus	141,536	129,245	93,144
Long-term loans	9,320	6,000	–
	20,020,118	18,337,898	17,367,389
Current assets			
Inventories	2,013,317	1,361,954	1,223,032
Trade and other receivables	1,677,280	1,222,327	1,104,332
Cash resources	10,395,268	8,449,797	5,626,778
Assets held-for-sale as part of identified disposal groups	288	1,351	–
	14,086,153	11,035,429	7,954,142
Total assets	34,106,271	29,373,327	25,321,531
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	698	698	698
Share premium	264,092	264,092	264,092
Treasury shares	(5,067,440)	(5,065,510)	(5,062,848)
Retained earnings	34,296,313	30,633,535	27,370,925
Other reserves	278,351	258,537	76,433
Equity attributable to shareholders of the holding company	29,772,014	26,091,352	22,649,300
Non-controlling shareholders' surplus/(deficit)	30,368	(40,990)	(24,348)
	29,802,382	26,050,362	22,624,952
Non-current liabilities			
Deferred taxation	471,091	345,440	283,778
Long-term provisions	198,254	166,639	127,678
Share-based payment liability	30,502	17,513	7,242
	699,847	529,592	418,698
Current liabilities			
Trade and other payables	2,087,945	2,039,587	1,500,487
Taxation	14,907	24,059	72,532
Short-term provisions	108,975	128,081	125,143
Overdraft	1,391,564	584,472	579,719
Liabilities associated with assets held-for-sale	651	17,174	–
	3,604,042	2,793,373	2,277,881
	34,106,271	29,373,327	25,321,531

Consolidated statement of changes in equity

	Year ended 30 June		
	2019 R'000	2018 R'000	2017 R'000
Share capital			
Balance at beginning and end of year	698	698	698
Share premium			
Balance at beginning and end of year	264,092	264,092	264,092
Treasury shares			
Balance at beginning of year	(5,065,510)	(5,062,848)	(5,051,583)
Acquired during the year	(1,930)	(2,662)	(11,265)
Balance at end of year	(5,067,440)	(5,065,510)	(5,062,848)
Retained earnings			
Balance at beginning of year	30,633,535	27,370,925	23,485,031
Profit for the year attributable to shareholders of the holding company	5,932,037	5,119,329	5,021,171
Ordinary dividends declared during the year	(2,269,259)	(1,856,719)	(1,135,277)
– final dividend	(1,675,284)	(1,116,856)	(698,035)
– interim dividend	(1,396,070)	(1,396,070)	(837,642)
Less: Dividends attributable to treasury shares	802,095	656,207	400,400
Balance at end of the year	34,296,313	30,633,535	27,370,925
Other reserves			
Balance at beginning of year	258,537	76,433	247,242
Other comprehensive income/(loss)	57,419	182,104	(170,809)
– fair value adjustments of financial assets measured at fair value through other comprehensive income (2018 and 2017: gain after taxation arising on revaluation of available-for-sale listed investments)	43,295	32,933	38,251
– foreign currency translation reserve arising on consolidation	10,444	131,965	(236,019)
– actuarial gains in pension fund, after taxation	3,680	17,206	26,959
Balance transferred to non-controlling shareholders' surplus/(deficit)	(37,605)	–	–
Balance at end of year	278,351	258,537	76,433
Equity attributable to shareholders of the holding company			
Non-controlling shareholders' surplus/(deficit)	29,772,014	26,091,352	22,649,300
Balance at beginning of year	(40,990)	(24,348)	(33,871)
Share of total comprehensive income/(loss)	33,753	(16,642)	9,523
Total comprehensive income for the year, net of taxation	33,753	57,709	104,364
– profit for the year	31,895	55,673	117,159
– other comprehensive income for the year	1,858	2,036	(12,795)
Dividends paid to non-controlling shareholders	–	(74,351)	(94,841)
Balance transferred from other reserves	37,605	–	–
Balance at end of year	30,368	(40,990)	(24,348)
Total equity	29,802,382	26,050,362	22,624,952

Consolidated statement of cash flow

	Year ended 30 June		
	2019 R'000	2018 R'000	2017 R'000
Cash (utilised by)/generated from operating activities	(1,618,275)	185,515	734,600
Net cash generated from operations	668,470	2,342,134	2,205,469
Cash generated from operations	1,677,633	1,968,533	2,089,291
Dividend income	55,462	17,778	4,190
Movements in working capital	(1,064,625)	355,823	111,988
Interest income	557,437	470,425	324,197
Finance costs	(47,737)	(12,835)	(12,003)
Taxation paid	(527,186)	(683,139)	(552,945)
Dividends paid to shareholders of the holding company	(3,071,354)	(2,512,926)	(1,535,677)
Dividends attributable to treasury shares, utilised within the group	802,095	656,207	400,400
Dividends paid to non-controlling shareholders	–	(74,351)	(94,841)
Cash retained from investing activities	2,756,654	2,632,751	2,123,308
Proceeds from disposal of available-for-sale listed investments	–	86,706	–
Proceeds from disposal of available-for-sale unlisted investments	–	–	20,493
Acquisition of interests in associates	(59,795)	(66,584)	–
Additions to property, plant and equipment	(499,572)	(404,121)	(149,859)
Dividend received from joint-venture entity	3,315,000	3,000,000	2,250,000
Proceeds on disposal of property, plant and equipment	1,021	16,750	2,674
Cash generated from financing activities	807,092	4,753	(416,055)
Movement in overdraft	807,092	4,753	(416,055)
Cash resources			
– increase for the year	1,945,471	2,823,019	2,441,853
– at beginning of year	8,449,797	5,626,778	3,184,925
– at end of year	10,395,268	8,449,797	5,626,778

UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS OF ASSORE FOR THE SIX MONTHS ENDED 31 DECEMBER 2019



www.assore.com

Assore Limited

Registration number: 1950/037394/06
Share code: ASR ISIN: ZAE000146932
(Assore or group or company)

Results for the
half-year ended
31 December 2019

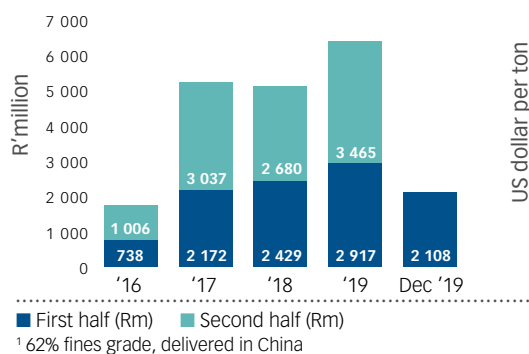
Highlights

**Dwarsrivier
recognised**
for safety performance

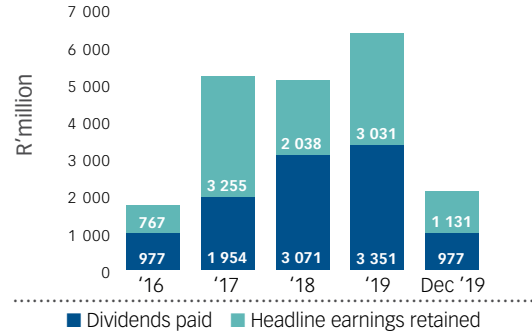
Interim dividend of
R7,00 per share

Net cash of
R8,1 billion

Headline earnings review



Headline earnings and dividends paid (gross)



Executive directors: Desmond Sacco (*Chairman*), CE Walters (*Chief Executive Officer*), PE Sacco (*Deputy Chief Executive Officer and Marketing Director*), RA Davies (*Chief Financial Officer*), BH van Aswegen (*Group Technical and Operations Director*)

Non-executive directors: EM Southey* (*Deputy Chairman and Lead Independent Director*), DN Aitken*, TN Mgoduso*, S Mhlarhi*, WF Urmson* **Independent*

Registered office: Assore House, 15 Fricker Road, Illovo Boulevard, Johannesburg, 2196

Company Secretary: African Mining and Trust Company Limited

Transfer office: Singular Systems Proprietary Limited, 25 Scott Street, Waverley, 2090

Sponsor: The Standard Bank of South Africa Limited, 30 Baker Street, Rosebank, Johannesburg, 2196

Commentary

Safety

Assore operations

Dwarsrivier Chrome Mine Proprietary Limited (Dwarsrivier) reported a deterioration in its lost-time injury frequency rate (LTIFR) to 0,22 for the six months to 31 December 2019 (the current period, or H1 FY20) from 0,18 for the six months to 31 December 2018 (the previous period, or H1 FY19). However, Dwarsrivier was recognised for the best improved safety performance and best safety performance in its class at the South Africa Chrome Industry Awards Dinner held on 5 September 2019. Performance improvements within Assore's other operations resulted in an overall improvement in the combined LTIFR for Assore from 0,29 to 0,24 over the same period.

Assmang operations

The combined LTIFR of the Assmang Proprietary Limited (Assmang) operations, which is jointly controlled by Assore and African Rainbow Minerals Limited (ARM), deteriorated to a level of 0,24 for the current period, compared to 0,13 for the previous period.

The group remains committed to the pursuit of continued, sustainable improvement in our overall safety performance.

Group financial performance

Headline earnings for H1 FY20 decreased by 28% to R2,1 billion, compared to R2,9 billion for the H1 FY19. Assmang, in which Assore has a 50% interest, recorded headline earnings of R3,7 billion (H1 FY19: R4,3 billion), a decrease of 14%, on a 100% basis. This contributed R1,85 billion towards the group's headline earnings. In accordance with International Financial Reporting Standards (IFRS), Assmang is classified as a joint venture and accordingly, its financial results are equity accounted. The rest of the group's operations reported headline earnings that were 68% lower than the previous period, at R0,2 billion, of which Dwarsrivier contributed a profit of R31 million (H1 FY19: profit R327 million), with commissions and interest earned making up most of the balance. Attributable earnings amounted to R2,1 billion, 29% lower than H1 FY19.

The average SA rand/US dollar (USD) exchange rate for the current period was R14,69, 4% weaker than the level that prevailed during H1 FY19. The index price for iron ore (62% iron content, fines grade, delivered in China) was USD95 per ton (38% higher than H1 FY19), while the manganese ore price for both quoted grades (44% and 37% manganese content) as well as the chrome ore prices were lower compared to H1 FY19. Sales volumes of iron ore were lower than in the previous corresponding period due mostly to the timing of shipments. However, manganese ore sales volumes increased by 11% in line with the increased production volumes.

Commentary continued

Production and sales volumes achieved by the group were as follows:

Metric tons '000	Six months to 31 December 2019	Six months to 31 December 2018	% increase/ (decrease)
Production volumes (100%)			
Iron ore	9 345	8 742	7
Manganese ore	2 034	1 737	17
Manganese alloys	239	194	23
Chrome ore	769	765	–
Sales volumes (100%)			
Iron ore*	7 750	8 752	(11)
Manganese ore*	1 782	1 605	11
Manganese alloys*	171	164	4
Chrome ore	735	757	(3)

* Excluding intragroup sales

Working capital increased by R1,4 billion, due to the timing of cash payments to Assmang. As a result, the group's net cash position decreased by 10% to R8,1 billion (June 2019: R9,0 billion). The board has declared an interim dividend of 700 cents (H1 FY19: 1 000 cents) per share, which will be paid to shareholders on Monday, 16 March 2020.

Market conditions

Demand for steel in China is estimated to have grown by 7,8% in the 2019 calendar year (CY19). However, for the rest of the world, growth was limited. China produced 54% of the world's crude steel in CY19 with a reported production increase of 8,3% over this period. The robust demand for crude steel, as well as continued supply disruptions of iron ore, assisted in maintaining strong iron ore prices through this period. However, the good demand for steel did not manage to hold prices of manganese ore during H1 FY20.

World stainless steel production, excluding Chinese production, declined in CY19 on the back of a weaker world economic environment. However, Chinese production, which amounts to 56% of the world's total, recorded year-on-year growth of 8,8%. These higher production levels resulted in increased demand for ferrochrome as well as chrome ore, although both commodities attracted lower prices due to over-supply.

Assmang (iron ore and manganese)

Attributable earnings decreased by 14% over the previous period to R3,7 billion (100% basis, H1 FY19: R4,3 billion). Iron ore delivered R2,8 billion (H1 FY19: R2,5 billion), an increase of 12% from the previous period, while manganese ore and alloys contributed only R0,9 billion (H1 FY19: R1,9 billion) to attributable earnings. The change in the mix of earnings was driven by firm iron ore prices and notably lower prices for manganese ores and manganese alloys.

Capital expenditure in Assmang was at similar levels to the previous period, and amounted to R2,1 billion for the period (H1 FY19: R1,98 billion). The Iron Ore division spent R0,9 billion relating mostly to waste stripping and replacement capital. Expenditure in the Manganese division amounted to R1,2 billion, mostly relating to the Black Rock Expansion Project (R335 million) and the Gloria Mine modernisation and optimisation (R443 million).

At the end of H1 FY20, approximately 96% of the approved and revised capital expenditure of R6,966 billion on the Black Rock Expansion Project was committed or spent and approximately 66% of the approved capital of R2,7 billion for the Gloria Mine modernisation and optimisation project was committed or spent.

Iron ore

Higher crude steel production levels in China maintained the demand for iron ore. Imports of iron ore into China increased marginally in CY19. Supply disruptions from Brazil and Australia, combined with limited supply expansion across the industry saw prices rise in the period. The average index price for H1 FY20 was USD95 per ton compared to the H1 FY19 level of USD69 per ton. The “lumpy” premium weakened to USD6 per ton during H1 FY20 but recovered at the end of the period to USD15 per ton as steel mills margins improved and restrictions on sintering plants in China supported demand for lumpy material.

Despite the high demand for iron ore, sales volumes decreased by 11% compared to H1 FY19. This was due to logistical and operational constraints, predominantly at Saldanha Bay port. The high iron ore prices and weaker SA rand/USD exchange rate helped increase the iron ore division’s attributable profit for H1 FY20 by 12% over the previous period.

Commentary continued

Manganese ore and alloys

Manganese ore prices for H1 FY20 were weaker in comparison to H1 FY19, due to a combination of over-supply and weakened demand. Demand in China softened while local supply and imports reached a peak. This resulted in high port stock levels and lower ore prices for the current period.

The average index price for H1 FY20 for high-grade lumpy ore (44% manganese content) was USD4,82 per dry metric ton unit (dmtu), delivered (CIF) in China (H1 FY19: USD7,02 per dmtu), while the average index price for medium-grade lumpy ore (37% manganese content) was USD3,69 per dmtu, delivered (CIF) in China (H1FY19: USD5,92 per dmtu).

Total sales volumes of manganese ore increased following the expansion at the Black Rock mines and were thus 11% higher than the previous period.

The increase in sales volumes and weak SA rand/USD exchange rate did not offset the effect of depressed prices resulting in a 44% decrease in earnings from manganese ore.

The alloy market continued to experience over-supply and weak demand. Despite industry-wide production cuts in H2 FY19, prices and profitability in the ferroalloy market weakened further in the current period. The underlying weakness has been caused by the downturn experienced in the auto sector as well as the sluggish manufacturing subsectors with all regions under significant margin squeeze.

Dwarsrivier (chrome ore)

The stainless steel, ferro chrome and chrome ore markets remained oversupplied during H1 FY20, resulting in weaker price levels for chrome ore. Ferrochrome prices in China also continued to weaken throughout the reporting period, exerting further pressure on chrome ore prices, which declined to USD130 per ton (CFR, China, 42% concentrate) at the end of the period, compared to a level of above USD150 per ton at the end of H1 FY19.

Chrome ore sales volumes were slightly lower (3%) compared to H1 FY19, due to lower sales concluded in order to replenish mine stockpiles. The lower prices and sales volumes resulted in a 17% decrease in revenue for H1 FY20 to R1,5 billion (H1 FY19: R1,8 billion) despite the weakening of the SA rand/USD exchange rate.

The cost management performance of the mine remains challenging, with unit costs increasing by 6% over H1 FY19. Capital expenditure amounted to R246 million (H1 FY19: R214 million), mostly on-mine development at its south shaft, plant upgrades to improve efficiency and flexibility and mining equipment replacements.

Due to the lower sales prices and the high operational costs the attributable profit for H1 FY20 decreased by 91% to R31 million compared to the previous reporting period (H1 FY19: R327 million)

Marketing and shipping

Marketing fees earned by the group decreased by 1% over H1 FY19, in line with the decrease of 4% in the combined turnover of Assmang and Dwarsrivier. Interest earned on the group's cash resources amounted to R342 million (H1 FY19: R308 million).

Other

The group holds a 28,97% interest in IronRidge Resources Limited (IronRidge), an Australian minerals exploration company listed on London's Alternative Investment Market (AIM). IronRidge has a portfolio of gold, lithium, bauxite, titanium and iron ore prospects in Africa and Australia. During H1 FY20, the activities of IronRidge continued to focus mainly on lithium and gold exploration in Ghana and Ivory Coast, respectively. The equity-accounted loss for H1 FY20 amounted to R5 million (H1 FY19: R14 million).

During H1 FY20 Group Line Projects was sold for a purchase price of R6 million resulting in a R16,9 million loss in the group.

Outlook

World economic growth in 2019 was hampered by the US/China trade war and the growth forecasts for 2020 are that GDP of the major economies will slow.

Growth in steel production is expected to slow in line with global growth. The extent of the impact on global commodity markets of the recent outbreak of the coronavirus in China, and its spread around the world, is not known at this stage. When considered together with unresolved trade issues in several regions of the world, the outlook has become more negative with the balance of risks pointing to the downside.

On the other hand, a potential investment stimulus response from China would help to offset the current weakness in the commodity markets. In addition, Chinese environmental policies are expected to continue to have a positive impact on the demand for high-quality iron ore and manganese ore. This will support the demand for the group's high quality products.

The potential increase in the supply of iron ore is likely to introduce some weakness in iron ore price levels. On the other hand, an improvement in manganese ore prices is anticipated, with Chinese demand recovering and improved demand expected from outside of China, after a relatively weak H1 FY20.

The surplus in supply of stainless steel, ferrochrome and chrome ore is predicted to persist for the remainder of FY20. As a result, limited potential exists for major price improvements for these commodities which will continue to suppress the financial performance in this segment.

The mining industry in South Africa continues to face a high level of regulatory uncertainty and increased expectations from its various stakeholders. The results of the group remain significantly exposed to underlying commodity prices for steel-making ingredients and fluctuations in exchange rates.

This outlook and any forward-looking statements have not been reviewed and reported on by the group's external auditors.

Accounting policies and basis of preparation

The board of directors of Assore (the board) takes full responsibility for the preparation of this announcement. The financial results for the period under review have been prepared under the supervision of Mr RA Davies, CA(SA) and in accordance with IAS 34 *Interim Financial Reporting* and comply with IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council, the Listings Requirements of the JSE Limited (JSE) and the Companies Act, No 71 of 2008 (as amended). The accounting policies applied are consistent with those adopted in the financial year ended 30 June 2019 except for IFRS 16 *Leases* which the group adopted on 1 July 2019, as described below.

Ernst & Young Inc., the group's independent external auditors, have reviewed the condensed consolidated half-year results included in this announcement and their unmodified review report is available for inspection at the registered office of the company. The review was conducted in terms of ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

The auditor's report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the company's registered office.

New accounting standards

Accounting policy applied from 1 July 2019

IFRS 16 *Leases*

IFRS 16 *Leases* was issued in January 2016 and it replaces IAS 17 *Leases*, and IFRIC 4 *Determining whether an arrangement contains a lease*.

The group applied the modified retrospective transition approach, with effect from 1 July 2019, without restating comparative information.

The impact of IFRS 16 is not material due to the election of the practical expedients, namely low value assets and short-term leases, as well as, variable lease payments that do not depend on an index or rate. These variable payments are dependent on variables such as volumes mined and metres drilled, and were expensed through the income statement for the six months ended 31 December 2019. As such, contracts with variable payments are neither included in lease liabilities nor is a right-of-use asset recognised.

IFRIC 23 *Uncertain Tax Positions*

The impact of this standard has been assessed as negligible.

Declaration of interim dividend

Shareholders are advised that on 20 February 2020, the board approved interim dividend number 126 (the dividend), of 700 cents per share (gross) for the half-year ended 31 December 2019.

In terms of paragraph 11.17 of the Listings Requirements of JSE Limited, shareholders are advised of the following with regard to the declaration:

1. the dividend has been declared from retained earnings
2. the local dividend tax (dividend tax) rate of 20% will apply
3. the net local dividend amount is 560 cents per share for shareholders liable to pay the dividend tax
4. the issued ordinary share capital of Assore is 139 607 000 shares, of which 36 462 070 (H1/19: 36 460 825) shares are accounted for as treasury shares in terms of IFRS and are therefore excluded from earnings per share calculations; and
5. Assore's income tax reference number is 9045/018/84/4.

The salient dates are as follows:

- Last day for trading to qualify and participate in the interim dividend; Tuesday, 10 March 2020
- Trading "ex dividend" commences; Wednesday, 11 March 2020
- Record date; Friday, 13 March 2020
- Dividend payment date; and Monday, 16 March 2020
- Dates (inclusive) between which share certificates may not be dematerialised or rematerialised. Wednesday, 11 March 2020 to Friday, 13 March 2020

On behalf of the board

Desmond Sacco

Chairman

Charles Walters

Chief Executive Officer

Johannesburg

21 February 2020

Condensed consolidated income statement

R'000	Half-year ended 31 December 2019 Reviewed	Half-year ended 31 December 2018 Reviewed	Year ended 30 June 2019 Audited
Revenue	3 467 530	3 947 562	8 140 469
Turnover	2 560 133	3 073 911	6 301 572
Cost of sales	(2 447 322)	(2 509 512)	(5 369 083)
Gross profit	112 811	564 399	932 489
Commissions on sales and technical fees	557 283	560 423	1 262 429
Foreign exchange gains	38	84 109	40 971
Other income	366 026	340 430	616 297
Finance costs	(25 562)	(19 384)	(55 302)
Foreign exchange losses	(165 422)	–	(200)
Other expenses	(472 189)	(381 968)	(716 075)
Profit before taxation	372 985	1 148 009	2 080 609
Taxation	(121 182)	(335 280)	(629 756)
Profit after taxation, before joint-venture entity and associate	251 803	812 729	1 450 853
Share of profit from joint-venture entity, after taxation	1 848 602	2 133 162	4 536 396
Share of loss in associate	(4 532)	(13 889)	(23 317)
Profit for the period	2 095 873	2 932 002	5 963 932
Attributable to:			
Shareholders of the holding company	2 077 859	2 915 592	5 932 037
Non-controlling shareholders' share of profits in subsidiary companies	18 014	16 410	31 895
	2 095 873	2 932 002	5 963 932
Earnings per share (basic and diluted – cents)	2 014	2 827	5 751

Headline earnings

R'000	Half-year ended 31 December 2019 Reviewed	Half-year ended 31 December 2018 Reviewed	Year ended 30 June 2019 Audited
Profit attributable to shareholders of the holding company	2 077 859	2 915 592	5 932 037
Impairment of non-financial assets in joint-venture entity	–	19 628	333 893
Impairment of investment in associate by joint-venture entity	–	–	193 771
Gain on disposal of investment in subsidiary company by joint-venture entity	–	–	(91 478)
Loss/(gain) on disposal of investment in subsidiary company	16 907	(2 669)	(2 669)
Loss/(profit) on disposal of property, plant and equipment by joint-venture entity and subsidiaries	17 931	(12 952)	2 052
Taxation effect of above items	(5 025)	(2 595)	14 163
Headline earnings	2 107 672	2 917 004	6 381 769
Headline earnings per share (basic and diluted – cents)	2 043	2 828	6 187
Dividends per share declared in respect of profit for the period (cents)	700	1 000	2 400
– Interim	700	1 000	1 000
– Final			1 400
Weighted number of ordinary shares in issue (million)			
Ordinary shares in issue	139,61	139,61	139,61
Treasury shares held in trust	(36,46)	(36,46)	(36,46)
Weighted average number of shares in issue for the period	103,15	103,15	103,15

Condensed consolidated statement of other comprehensive income

R'000	Half-year ended 31 December 2019 Reviewed	Half-year ended 31 December 2018 Reviewed	Year ended 30 June 2019 Audited
Profit for the period	2 095 873	2 932 002	5 963 932
Items that may be reclassified into the income statement dependent on the outcome of a future event	(58 070)	38 204	12 302
Exchange differences on translation of foreign operations	(58 070)	38 204*	12 302
– recorded by joint-venture entity and foreign listed associate	2 364	31 165	8 511
– recorded by foreign subsidiary	(60 434)	7 039	3 791
Items that may not be reclassified into the income statement dependent on the outcome of a future event	(12 208)	1 625	46 975
(Loss)/gain on revaluation to market value of financial assets measured at fair value through other comprehensive income, after taxation	(12 208)	1 625	43 295
– (loss)/gain on revaluation to market value of financial assets measured at fair value through other comprehensive income	(15 731)	2 096	55 792
– deferred capital gains taxation thereon	3 523	(471)	(12 497)
Actuarial gains in pension fund, after taxation	–	–	3 680
Total comprehensive income for the period, net of taxation	2 025 595	2 971 831	6 023 209
Comprehensive loss/(income) attributable to non-controlling shareholders of subsidiary companies	11 600	(19 859)	(33 753)
Attributable to shareholders of the holding company	2 037 195	2 951 972	5 989 456

* Similar to 30 June 2019, this balance was disaggregated in the current period to disclose other comprehensive income recorded by the group's joint-venture entity, foreign-listed associate and foreign subsidiary separately in accordance with IAS 1 Presentation of Financial Statements, and the comparative amounts were restated accordingly.

Condensed consolidated statement of financial position

R'000	As at 31 December 2019 Reviewed	As at 31 December 2018 Reviewed	As at 30 June 2019 Audited
ASSETS			
Non-current assets			
Property, plant, equipment and intangible assets	2 335 753	1 943 713	2 145 694
Investments			
– joint-venture entity	17 066 333	16 410 049	17 215 032
– financial assets measured at fair value through other comprehensive income	302 064	264 096	317 795
– foreign-listed associate	182 520	199 371	187 387
– financial assets measured at fair value through profit or loss (2018: other)	2 874	7 772	3 354
Pension fund surplus	141 536	129 245	141 536
Long-term loans	12 566	9 300	9 320
	20 043 646	18 963 546	20 020 118
Current assets			
Inventories	1 832 411	1 830 318	2 013 317
Trade and other receivables	1 427 148	1 155 033	1 677 280
Cash resources	9 554 695	8 754 832	10 395 268
South African Revenue Service	82 333	–	–
Assets held-for-sale as part of identified disposal groups	12	213	288
	12 896 599	11 740 396	14 086 153
	32 940 245	30 703 942	34 106 271
EQUITY AND LIABILITIES			
Share capital and reserves			
Ordinary shareholders' interest	30 365 180	27 844 362	29 772 014
Non-controlling shareholders' surplus/(deficit)	18 768	(62 184)	30 368
	30 383 948	27 782 178	29 802 382
Non-current liabilities			
Deferred taxation	432 566	411 095	471 091
Non-interest-bearing	241 972	197 541	228 756
Interest-bearing	7 710	–	–
	682 248	608 636	699 847
Current liabilities			
Interest-bearing	1 471 536	1 108 262	1 391 564
Non-interest-bearing	402 429	1 204 328	2 211 827
Liabilities associated with assets held-for-sale	84	538	651
	1 874 049	2 313 128	3 604 042
TOTAL EQUITY AND LIABILITIES	32 940 245	30 703 942	34 106 271

Fair values of financial instruments

The group uses the following hierarchy for determining and disclosing the fair value inputs of financial instruments:
 Level 1 – quoted prices in an active market that are unadjusted for identical assets or liabilities
 Level 2 – valuation techniques using inputs, which are directly or indirectly observable; and
 Level 3 – valuations based on data that is not observable.

The carrying values of all other financial instruments recognised, but not subsequently measured at fair value, approximate fair value.

R'000	As at 31 December 2019 Reviewed Level 1	As at 31 December 2018 Reviewed Level 1	As at 30 June 2019 Audited Level 1
Assets measured at fair value			
Financial assets measured at fair value through other comprehensive income	302 064	264 096	317 795
Financial assets measured at fair value through profit or loss (2018: other investments)	2 874	7 772	3 354
	304 938	271 868	321 149

Condensed consolidated statement of cash flow

R'000	Half-year ended 31 December 2019 Reviewed	Half-year ended 31 December 2018 Reviewed	Year ended 30 June 2019 Audited
Cash utilised by operations	(2 665 827)	(1 691 418)	(1 618 275)
Net cash (utilised by)/generated from operations	(1 284 954)	(517 904)	668 470
Net finance costs and taxation flows	63 156	64 970	(17 486)
Net dividend flows	(1 444 029)	(1 238 484)	(2 269 259)
Cash retained from investing activities	1 751 909	1 472 663	2 756 654
Dividends received from joint-venture entity	2 000 000	1 750 000	3 315 000
Net capital expenditure	(248 091)	(277 337)	(558 346)
Cash generated from financing activities	73 345	523 790	807 092
Movement in cash resources for the period	(840 573)	305 035	1 945 471
Cash resources at beginning of period	10 395 268	8 449 797	8 449 797
Cash resources per statement of financial position	9 554 695	8 754 832	10 395 268

Condensed consolidated statement of changes in equity

R'000	Half-year ended 31 December 2019 Reviewed	Half-year ended 31 December 2018 Reviewed	Year ended 30 June 2019 Audited
Share capital, share premium and other reserves			
Balance at beginning of period	543 141	523 327	523 327
Other comprehensive (loss)/income for the period	(40 664)	77 434	57 419
– net (decrease)/increase on the revaluation to market value of financial assets measured at fair value through other comprehensive income, after taxation	(12 208)	1 625	43 295
– foreign currency translation reserve arising on consolidation	(28 456)	75 809	10 444
– actuarial gains in pension fund, after taxation	–	–	3 680
Balance transferred to non-controlling shareholders' (deficit)/surplus	–	–	(37 605)
Balance at end of period	502 477	600 761	543 141
Treasury shares			
Balance at beginning of period	(5 067 440)	(5 065 510)	(5 065 510)
Acquired during the period	–	(1 532)	(1 930)
Balance at end of period	(5 067 440)	(5 067 042)	(5 067 440)
Retained earnings			
Balance at beginning of period	34 296 313	30 633 535	30 633 535
Profit for the period attributable to shareholders of the holding company	2 077 859	2 915 592	5 932 037
Ordinary dividends declared during the period	(1 444 029)	(1 238 484)	(2 269 259)
– total dividends declared	(1 954 498)	(1 675 284)	(3 071 354)
– dividends attributable to treasury shares held in BEE trusts	510 469	436 800	802 095
Balance at end of period	34 930 143	32 310 643	34 296 313
Ordinary shareholders' interest			
	30 365 180	27 844 362	29 772 014
Non-controlling shareholders' surplus/(deficit)			
Balance at beginning of period	30 368	(40 990)	(40 990)
Share of total comprehensive income/(loss) for the period	(11 600)	(21 194)	33 753
– profit for the period	18 014	16 410	31 895
– other comprehensive income/(loss)	(29 614)	(37 604)	1 858
Balance transferred from other reserves	–	–	37 605
Balance at end of period	18 768	(62 184)	30 368
Total equity	30 383 948	27 782 178	29 802 382

Segmental information

R'000	Joint venture entity mining and beneficiation			Sub-total	Dwarsrivier	Marketing and shipping	Other mining activities eliminations and adjustments ¹	Total
	Iron ore division	Manganese division	Chrome division					
Half-year ended 31 December 2019 – Reviewed								
Revenue by source								
– third party	9 732 539	6 230 281	–	15 962 820	1 544 541	1 875 818	(15 915 649)	3 467 530
– inter-segment	(93 570)	93 570	–	–	–	80 919	(80 919)	–
Total revenue	9 638 969	6 323 851	–	15 962 820	1 544 541	1 956 737	(15 996 568)	3 467 530
Revenue from contracts with customers	10 300 647	6 313 308	–	16 613 955	1 509 579	1 635 850	(16 653 694)	3 105 690
– cost, insurance and freight (CIF) and cost and freight (CFR)	4 601 081	4 421 144	–	9 022 225	825 716	–	(9 022 225)	825 716
– free on board (FOB) and free carrier (FCA)	5 699 566	1 892 164	–	7 591 730	683 863	997 648 ⁵	(7 550 550)	1 722 691
– commissions on sales and technical fees	–	–	–	–	–	638 202	(80 919)	557 283
Other revenue ²	345 675	10 543	–	356 218	23 235	320 887	(350 227)	350 113
Fair value adjustments to contract revenue ³	(1 007 353)	–	–	(1 007 353)	11 727	–	1 007 353	11 727
Total revenue (as above)	9 638 969	6 323 851	–	15 962 820	1 544 541	1 956 737	(15 996 568)	3 467 530
Contribution to profit/(loss) for the period	2 831 154	878 523	–	3 709 677	31 408	289 223	(1 934 435)	2 095 873
Contribution to headline earnings ⁴	2 852 905	882 696	–	3 735 601	31 408	289 150	(1 948 487)	2 107 672
Statement of financial position								
Consolidated total assets	22 271 148	22 896 129	–	45 167 277	3 397 497	29 160 224	(44 784 753)	32 940 245
Consolidated total liabilities	5 259 258	5 821 912	–	11 081 170	880 057	1 558 807	(10 963 737)	2 556 297
Half-year ended 31 December 2018 – Reviewed								
Revenue by source								
– third party	9 110 948	7 178 070	–	16 289 018	1 852 017	2 041 156	(16 234 629)	3 947 562
– inter-segment	–	–	–	–	–	64 045	(64 045)	–
Total revenue	9 110 948	7 178 070	–	16 289 018	1 852 017	2 105 201	(16 298 674)	3 947 562
Revenue from contracts with customers	8 603 078	7 168 880	–	15 771 958	1 800 306	1 805 344	(15 771 958)	3 605 650
– cost, insurance and freight (CIF) and cost and freight (CFR)	4 254 863	4 912 382	–	9 167 245	88 026	–	(9 167 245)	88 026
– free on board (FOB) and free carrier (FCA)	4 348 215	2 256 498	–	6 604 713	1 712 280	1 244 921 ⁵	(6 604 713)	2 957 201
– commissions on sales and technical fees	–	–	–	–	–	560 423	–	560 423
Other revenue ²	294 984	9 190	–	304 174	51 711	299 857	(313 830)	341 912
Fair value adjustments to contract revenue ³	212 886	–	–	212 886	–	–	(212 886)	–
Total revenue (as above)	9 110 948	7 178 070	–	16 289 018	1 852 017	2 105 201	(16 298 674)	3 947 562
Contribution to profit/(loss) for the period	2 431 917	1 853 903	(7 021)	4 278 799	274 853	503 396	(2 125 046)	2 932 002
Impairment of financial and non-financial assets	–	28 264	–	28 264	–	–	(14 132)	14 132
Contribution to headline earnings ⁴	2 459 411	1 836 735	(6 980)	4 289 166	274 853	502 293	(2 149 308)	2 917 004
Statement of financial position								
Consolidated total assets	20 533 028	22 156 141	71 940	42 761 109	3 170 282	27 223 988	(42 451 437)	30 703 942
Consolidated total liabilities	7 213 474	4 888 562	427 836	12 529 872	837 303	2 040 223	(12 485 634)	2 921 764

⁽¹⁾ The majority of adjustments relate to Assmang which is equity-accounted.

⁽²⁾ Mainly relates to dividends and interest income.

⁽³⁾ Provisional to final price adjustments.

⁽⁴⁾ Includes equity-accounted results of Assmang and IronRidge.

⁽⁵⁾ Local sales made by Minerals U.S. LLC in the USA.

VOLUMES AND VALUES TRADED FOR SHARES

The daily closing share price, highest share price, lowest share price and volumes traded for the 30 trading days preceding the Last Practicable Date is set out below.

Date	Closing price (cents)	Highest price (cents)	Lowest price (cents)	Volume traded	Date
1.	28 016	28 181	27 821	28 467	24-01-2020
2.	26 829	27 601	26 599	22 501	27-01-2020
3.	26 254	27 074	25 618	29 412	28-01-2020
4.	26 513	27 180	25 741	15 730	29-01-2020
5.	25 865	26 513	25 701	12 108	30-01-2020
6.	24 526	27 000	24 526	14 798	31-01-2020
7.	24 500	25 700	24 009	27 014	03-02-2020
8.	23 588	25 700	23 588	48 955	04-02-2020
9.	24 068	24 458	23 200	80 175	05-02-2020
10.	23 202	24 049	21 899	62 967	06-02-2020
11.	22 400	23 520	22 301	37 820	07-02-2020
12.	21 800	22 901	21 601	21 189	10-02-2020
13.	21 800	22 227	21 500	35 141	11-02-2020
14.	21 982	22 749	21 234	59 393	12-02-2020
15.	23 620	23 644	21 692	59 434	13-02-2020
16.	23 100	23 899	22 754	66 809	14-02-2020
17.	23 804	24 103	22 800	21 412	17-02-2020
18.	23 599	24 584	22 800	31 102	18-02-2020
19.	23 274	24 000	21 630	24 858	19-02-2020
20.	22 398	24 445	22 083	40 238	20-02-2020
21.	22 799	23 000	21 450	65 115	21-02-2020
22.	20 310	23 500	19 600	61 968	24-02-2020
23.	20 400	20 998	20 056	22 015	25-02-2020
24.	19 050	20 200	18 526	74 153	26-02-2020
25.	18 264	18 700	18 000	40 751	27-02-2020
26.	17 359	18 297	16 700	69 918	28-02-2020
27.	18 200	19 500	17 639	85 501	02-03-2020
28.	18 603	19 178	18 143	69 998	03-03-2020
29.	18 500	18 975	18 242	20 965	04-03-2020
30.	18 200	19 200	17 919	127 273	05-03-2020

EXCHANGE CONTROL REGULATIONS

The settlement of the Offer Consideration for both Certificated Shareholders and Dematerialised Shareholders will be subject to the Exchange Control Regulations.

The following is a summary of the relevant Exchange Control Regulations. Shareholders who are not resident in South Africa, or who have registered addresses outside South Africa, must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of the Offer Consideration, including obtaining any required governmental or other consents, observing any other required formalities and paying any issue, transfer or other taxes due in that jurisdiction. If any Shareholder is in any doubt, he should consult his professional advisors without delay.

1. Residents of the Common Monetary Area

In the case of:

- Certificated Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Offer Consideration will be paid by way of EFT or posted to such Shareholders in accordance with paragraphs 5.4 and 6.7 of the Circular; and
- Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and have not been restrictively designated in terms of the Exchange Control Regulations, the Offer Consideration will be credited directly to the accounts nominated for the relevant Shareholders by their duly appointed CSDP or Broker in terms of the provisions of your Custody Agreement with their CSDP or Broker.

2. Emigrants from the Common Monetary Area

In the case of Shareholders who are emigrants from the Common Monetary Area and whose Shares form part of their remaining assets, the Offer Consideration will:

- in the case of Certificated Shareholders whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling such Shareholders' remaining assets in terms of the Exchange Control Regulations. The attached Form of Surrender and Transfer (*blue*) makes provision for details of the Authorised Dealer concerned to be given; and
- in the case of Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and have not been restrictively designated in terms of the Exchange Control Regulations, be paid to their CSDP or Broker, which shall arrange for same to be credited directly to the capital account of the Shareholder concerned with their Authorised Dealer in foreign exchange in South Africa.

3. All other non-residents of the Common Monetary Area

The Offer Consideration accruing to non-resident Shareholders whose registered addresses are outside the Common Monetary Area and emigrants from the Common Monetary Area who acquired the Shares utilising funds from abroad, will:

- in the case of Certificated Shareholders whose Documents of Title have been restrictively endorsed in terms of the Exchange Control Regulations, be paid by way of EFT or posted to their registered address in accordance with paragraph 5.4 of the Circular. The attached Form of Surrender and Transfer (*blue*) makes provision for a substitute address or bank details; or
- in the case of Dematerialised Shareholders, be paid to their duly appointed CSDP or Broker and credited to such shareholders in terms of the provisions of your Custody Agreement with their CSDP or Broker.

4. Information not provided

If the information regarding Authorised Dealers is not given or the instructions are not given and no bank account or address details for the Shareholder in question appears in the register, the Offer Consideration will be held in trust by Assore or the Transfer Secretaries on behalf of Assore.

**SECTION 114: PROPOSALS FOR SCHEME OF ARRANGEMENT AND SECTION 115:
REQUIRED APPROVALS FOR TRANSACTIONS CONTEMPLATED IN CHAPTER 5 OF
THE COMPANIES ACT**

EXTRACT OF SECTION 114 OF THE COMPANIES ACT

- (1) Unless it is in liquidation or in the course of business rescue proceedings in terms of Chapter 6, the board of a company may propose and, subject to subsection (4) and approval in terms of this Part, implement any arrangement between the company and holders of any class of its securities by way of, among other things –
- (a) a consolidation of securities of different classes;
 - (b) a division of securities into different classes;
 - (c) an expropriation of securities from the holders;
 - (d) exchanging any of its securities for other securities;
 - (e) a re-acquisition by the company of its securities; or
 - (f) a combination of the methods contemplated in this subsection.
- (2) The company must retain an independent expert, who meets the following requirements, to compile a report as required by subsection (3):
- (a) The person to be retained must be-
 - (i) qualified, and have the competence and experience necessary to-
 - (aa) understand the type of arrangement proposed;
 - (bb) evaluate the consequences of the arrangement; and
 - (cc) assess the effect of the arrangement on the value of securities and on the rights and interests of a holder of any securities, or a creditor of the company; and
 - (ii) able to express opinions, exercise judgment and make decisions impartially.
 - (b) The person to be retained must not-
 - (i) have any other relationship with the company or with a proponent of the arrangement, such as would lead a reasonable and informed third party to conclude that the integrity, impartiality or objectivity of that person is compromised by that relationship;
 - (ii) have had any relationship contemplated in subparagraph (i) within the immediately preceding two years; or
 - (iii) be related to a person who has or has had a relationship contemplated in subparagraph (i) or (ii).
- (3) The person retained in terms of subsection (2) must prepare a report to the board, and cause it to be distributed to all holders of the company's securities, concerning the proposed arrangement, which must, at a minimum-
- (a) state all prescribed information relevant to the value of the securities affected by the proposed arrangement;
 - (b) identify every type and class of holders of the company's securities affected by the proposed arrangement;
 - (c) describe the material effects that the proposed arrangement will have on the rights and interests of the persons mentioned in paragraph (b);

- (d) evaluate any material adverse effects of the proposed arrangement against-
 - (i) the compensation that any of those persons will receive in terms of that arrangement; and
 - (ii) any reasonably probable beneficial and significant effect of that arrangement on the business and prospects of the company;
 - (e) state any material interest of any director of the company or trustee for security holders;
 - (f) state the effect of the proposed arrangement on the interest and person contemplated in paragraph (e); and
 - (g) include a copy of sections 115 and 164.
- (4) Section 48 applies to a proposed arrangement contemplated in this section to the extent that the arrangement would result in any re-acquisition by a company of any of its previously issued securities.

EXTRACT OF SECTION 115 OF THE COMPANIES ACT

- (1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
- (a) the disposal, amalgamation or merger, or scheme of arrangement-
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter, and the Takeover Regulations, apply to a company that proposes to-
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement,
 the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4) (b), or exempted the transaction in terms of section 119(6).
- (2) A proposed transaction contemplated in subsection (1) must be approved-
- (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and
 - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if-
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
 - (c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).

- (3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if-
- (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or
 - (b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).
- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights-
- (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- (4A) In subsection (4), “**act in concert**” has the meaning set out in section 117(1)(b).
- (5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either-
- (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant-
- (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if-
- (a) the resolution is manifestly unfair to any class of holders of the company’s securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person-
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect-
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

SECTION 124: COMPULSORY ACQUISITIONS AND SQUEEZE OUTS

- (1) If, within four months after the date of an offer for the acquisition of any class of securities of a regulated company, that offer has been accepted by the holders of at least 90 percent of that class of securities, other than any such securities held before the offer by the offeror, a related or inter-related person, or persons acting in concert, or a nominee or subsidiary of any such person or persons-
 - (a) within two further months, the offeror may notify the holders of the remaining securities of the class, in the prescribed manner and form-
 - (i) that the offer has been accepted to that extent; and
 - (ii) (that the offeror desires to acquire all remaining securities of that class; and
 - (b) subject to subsection (2), after giving notice in terms of paragraph (a), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.
- (2) Within 30 business days after receiving a notice in terms of subsection (1)(a), a person may apply to a court for an order-
 - (a) that the offeror is not entitled to acquire the applicant's securities of that class; or
 - (b) imposing conditions of acquisition different from those of the original offer.
- (3) If an offer to acquire the securities of a particular class has not been accepted to the extent contemplated in subsection (1)-
 - (a) the offeror may apply to a court for an order authorising the offeror to give a notice contemplated in subsection (1)(a); and
 - (b) the court may make the order applied for, if-
 - (i) after making reasonable enquiries, the offeror has been unable to trace one or more of the persons holding securities to which the offer relates;
 - (ii) by virtue of acceptances of the original offer, the securities that are the subject of the application, together with the securities held by the person or persons referred to in subparagraph (i), amount to not less than the minimum specified in subsection (1);
 - (iii) the consideration offered is fair and reasonable; and
 - (iv) the court is satisfied that it is just and equitable to make the order, having regard, in particular, to the number of holders of securities who have been traced but who have not accepted the offer.
- (4) If an offer for the acquisition of any class of securities of a regulated company has resulted in the acquisition by the offeror or a nominee or subsidiary of the offeror, or a related or inter-related person of any of them, individually or in aggregate, of sufficient securities of that class such that, together with any other securities of that class already held by that person, or those persons in aggregate, they then hold at least 90 percent of the securities of that class-
 - (a) the offeror must notify the holders of the remaining securities of the class that the offer has been accepted to that extent;
 - (b) within three months after receiving a notice in terms of paragraph (a), a person may demand that the offeror acquire all of the person's securities of the class concerned; and
 - (c) after receiving a demand in terms of paragraph (b), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.

- (5) If an offeror has given notice in terms of subsection (1), and no order has been made in terms of subsection (3), or if the offeror has received a demand in terms of subsection (4)(b)-
- (a) six weeks after the date on which the notice was given or, if an application to a court is then pending, after the application has been disposed of, or after the date on which the demand was received, as the case may be, the offeror must-
 - (i) transmit a copy of the notice to the regulated company whose securities are the subject of the offer, together with an instrument of transfer, executed on behalf of the holder of those securities by any person appointed by the offeror; and
 - (ii) pay or transfer to that company the consideration representing the price payable by the offeror for the securities concerned,
 - (b) subject to the payment of prescribed fees or duties, the company must thereupon register the offeror as the holder of those securities.
- (6) An instrument of transfer contemplated in subsection (5) is not required for any securities for which a share warrant is for the time being outstanding.
- (7) A regulated company must deposit any consideration received under this section into a separate interest bearing bank account with a banking institution registered under the Banks Act and, subject to subsection (8), those deposits must be-
- (a) held in trust by the company for the person entitled to the securities in respect of which the consideration was received; and
 - (b) paid on demand to the person contemplated in paragraph (a), with interest to the date of payment.
- (8) If a person contemplated in subsection (7)(a) fails for more than three years to demand payment of an amount held in terms of that paragraph, the amount, together with any accumulated interest, must be paid to the benefit of the Guardian's Fund of the Master of the High Court, to be held and dealt with in accordance with the rules of that Fund.
- (9) In this section any reference to a "holder of securities who has not accepted the offer" includes any holder who has failed or refused to transfer their securities to the offeror in accordance with the offer.

SECTION 164: DISSENTING SHAREHOLDERS APPRAISAL RIGHTS

- (1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to-
 - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114,
that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.
- (4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who-
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither-
 - (i) withdrawn that notice; or
 - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if-
 - (a) the shareholder-
 - (i) sent the company a notice of objection, subject to subsection (6); and (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (ii) the company has adopted the resolution contemplated in subsection (2); and
 - (b) the shareholder-
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within-
 - (a) 20 business days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state-
 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.

- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless-
- (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of-
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11)-
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12)-
- (a) the shareholder must either in the case of-
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and-
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has-
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14)-
- (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) the court-
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

- (iii) in its discretion may-
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;
 - (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and
 - (v) must make an order requiring-
 - (aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and
 - (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.
- (15A) At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case-
- (d) that shareholder must comply with the requirements of subsection 13(a); and
 - (e) the company must comply with the requirements of subsection 13(b).
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months-
- (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the court may make an order that-
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to-
- (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent-
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,
- a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

DETAILS OF DEALINGS IN SHARES BY PROVIDERS OF IRREVOCABLE UNDERTAKINGS

Details of the Eligible Shareholders' dealings in Shares for the six month period prior to the Last Practicable Date are set out below:

Investec Asset Management – dealings in Shares by clients under management

Item no.	Transaction type	Volume traded	Price (R)	Date
1.	Trade Buy	29,786	279.00	11-Sep-19
2.	Trade Buy	1,402	282.87	11-Sep-19
3.	Trade Buy	1,362	279.00	11-Sep-19
4.	Trade Sell	(29,786)	279.00	11-Sep-19
5.	Trade Sell	(1,362)	279.00	11-Sep-19
6.	Trade Sell	(280)	279.00	13-Sep-19
7.	Trade Sell	(280)	279.00	13-Sep-19
8.	Trade Sell	(9,120)	258.05	25-Sep-19
9.	Trade Buy	12,960	258.83	02-Oct-19
10.	Trade Buy	17,969	258.83	02-Oct-19
11.	Trade Buy	17,969	258.83	02-Oct-19
12.	Trade Buy	12,960	258.83	02-Oct-19
13.	Trade Buy	5,334	258.62	02-Oct-19
14.	Trade Buy	1,035	258.62	02-Oct-19
15.	Trade Buy	1,987	258.62	02-Oct-19
16.	Trade Buy	634	258.62	02-Oct-19
17.	Trade Sell	(8,990)	258.62	02-Oct-19
18.	Trade Buy	12,218	261.52	03-Oct-19
19.	Trade Sell	(12,218)	261.52	03-Oct-19
20.	Trade Buy	98,456	247.71	04-Oct-19
21.	Trade Buy	1,076	247.71	04-Oct-19
22.	Trade Buy	33,000	247.71	04-Oct-19
23.	Trade Buy	17,045	255.85	07-Oct-19
24.	Trade Buy	186	255.85	07-Oct-19
25.	Trade Buy	8,990	262.64	07-Oct-19
26.	Trade Buy	5,713	255.85	07-Oct-19
27.	Trade Buy	7,900	258.64	08-Oct-19
28.	Trade Buy	86	258.64	08-Oct-19
29.	Trade Buy	2,647	258.64	08-Oct-19
30.	Trade Sell	(1,400)	247.68	10-Oct-19
31.	Trade Buy	28,834	254.79	18-Oct-19
32.	Trade Buy	15,771	254.79	18-Oct-19
33.	Trade Buy	1,161	254.79	18-Oct-19
34.	Trade Buy	4,370	254.79	18-Oct-19
35.	Trade Buy	1,634	254.79	18-Oct-19
36.	Trade Sell	(4,567)	249.00	18-Oct-19
37.	Trade Sell	(239)	249.00	18-Oct-19
38.	Trade Sell	(239)	249.00	18-Oct-19
39.	Trade Buy	819	255.71	21-Oct-19
40.	Trade Sell	(819)	255.71	21-Oct-19
41.	Trade Buy	755	247.16	23-Oct-19
42.	Trade Buy	1,698	247.14	23-Oct-19

Item no.	Transaction type	Volume traded	Price (R)	Date
43.	Trade Buy	1,698	247.14	23-Oct-19
44.	Trade Buy	755	247.16	23-Oct-19
45.	Trade Buy	6,854	257.88	30-Oct-19
46.	Trade Buy	11,688	257.64	30-Oct-19
47.	Trade Buy	3,467	257.88	30-Oct-19
48.	Trade Buy	5,911	257.64	30-Oct-19
49.	Trade Buy	8,075	257.88	30-Oct-19
50.	Trade Buy	13,768	257.64	30-Oct-19
51.	Trade Buy	2,243	257.88	30-Oct-19
52.	Trade Buy	3,824	257.64	30-Oct-19
53.	Trade Sell	(35,191)	257.64	30-Oct-19
54.	Trade Sell	(35,191)	257.64	30-Oct-19
55.	Trade Buy	7,237	255.43	31-Oct-19
56.	Trade Buy	3,660	255.43	31-Oct-19
57.	Trade Buy	8,526	255.43	31-Oct-19
58.	Trade Buy	2,368	255.43	31-Oct-19
59.	Trade Sell	(391)	250.40	01-Nov-19
60.	Trade Sell	(31,365)	245.75	04-Nov-19
61.	Trade Buy	13,786	250.53	05-Nov-19
62.	Trade Buy	6,042	249.84	05-Nov-19
63.	Trade Sell	(689)	251.00	05-Nov-19
64.	Trade Sell	(13,786)	250.53	05-Nov-19
65.	Trade Buy	290	250.00	07-Nov-19
66.	Trade Buy	290	250.00	07-Nov-19
67.	Trade Sell	(1,835)	234.36	02-Dec-19
68.	Trade Sell	(3,854)	234.36	02-Dec-19
69.	Trade Sell	(1,603)	234.36	02-Dec-19
70.	Trade Sell	(477)	235.00	03-Dec-19
71.	Trade Buy	18,178	232.95	05-Dec-19
72.	Trade Buy	6,842	238.06	06-Dec-19
73.	Trade Sell	(1,203)	241.28	06-Dec-19
74.	Trade Buy	42,095	254.70	09-Dec-19
75.	Trade Buy	3,092	261.24	10-Dec-19
76.	Trade Buy	6,088	265.02	11-Dec-19
77.	Trade Buy	2,612	265.02	11-Dec-19
78.	Trade Sell	(2,534)	265.01	11-Dec-19
79.	Trade Buy	16,742	269.48	12-Dec-19
80.	Trade Buy	7,182	269.48	12-Dec-19
81.	Trade Sell	(3,216)	269.00	12-Dec-19
82.	Trade Sell	(444)	268.03	12-Dec-19
83.	Trade Buy	3,527	270.75	13-Dec-19
84.	Trade Sell	(730)	270.78	13-Dec-19
85.	Trade Buy	9,744	271.23	17-Dec-19
86.	Trade Sell	(310)	258.08	19-Dec-19
87.	Trade Sell	(310)	258.08	19-Dec-19
88.	Trade Sell	(170)	258.08	19-Dec-19
89.	Trade Sell	(170)	258.08	19-Dec-19
90.	Trade Buy	10,000	263.47	23-Dec-19
91.	Trade Sell	(803)	270.16	30-Dec-19
92.	Trade Buy	5,721	266.61	03-Jan-20
93.	Trade Buy	7,268	261.33	06-Jan-20
94.	Trade Buy	7,951	257.94	07-Jan-20

Item no.	Transaction type	Volume traded	Price (R)	Date
95.	Trade Buy	1,758	261.68	09-Jan-20
96.	Trade Buy	115	261.68	09-Jan-20
97.	Trade Buy	7,468	262.35	10-Jan-20
98.	Trade Buy	486	262.35	10-Jan-20
99.	Trade Buy	4,121	265.42	13-Jan-20
100.	Trade Buy	268	265.42	13-Jan-20
101.	Trade Buy	4,136	276.65	15-Jan-20
102.	Trade Buy	2,183	276.65	15-Jan-20
103.	Trade Buy	4,136	276.65	15-Jan-20
104.	Trade Buy	2,183	276.65	15-Jan-20
105.	Trade Buy	17,831	276.37	15-Jan-20
106.	Trade Buy	1,162	276.37	15-Jan-20
107.	Trade Sell	(4,136)	276.65	15-Jan-20
108.	Trade Sell	(4,136)	276.65	15-Jan-20
109.	Trade Sell	(2,183)	276.65	15-Jan-20
110.	Trade Sell	(2,183)	276.65	15-Jan-20
111.	Trade Buy	14,807	280.37	16-Jan-20
112.	Trade Buy	964	280.37	16-Jan-20
113.	Trade Buy	3,318	281.21	17-Jan-20
114.	Trade Buy	216	281.21	17-Jan-20
115.	Trade Buy	2,897	287.05	20-Jan-20
116.	Trade Buy	189	287.05	20-Jan-20
117.	Trade Sell	(3,126)	286.04	20-Jan-20
118.	Trade Sell	(787)	280.00	23-Jan-20
119.	Trade Buy	1,608	272.22	27-Jan-20
120.	Trade Buy	1,608	272.22	27-Jan-20
121.	Trade Sell	(836)	268.01	27-Jan-20
122.	Trade Sell	(1,673)	260.34	30-Jan-20
123.	Trade Sell	(2,710)	257.10	31-Jan-20
124.	Trade Sell	(416)	255.84	31-Jan-20
125.	Trade Buy	6,724	245.13	03-Feb-20
126.	Trade Buy	6,724	245.13	03-Feb-20
127.	Trade Sell	(5,041)	245.07	03-Feb-20
128.	Trade Sell	(278)	245.11	03-Feb-20
129.	Trade Sell	(12,430)	242.42	04-Feb-20
130.	Trade Sell	(926)	242.42	04-Feb-20
131.	Trade Sell	(36)	242.42	04-Feb-20
132.	Trade Sell	(19,625)	239.41	05-Feb-20
133.	Trade Sell	(4,422)	239.41	05-Feb-20
134.	Trade Sell	(1,466)	239.41	05-Feb-20
135.	Trade Sell	(57)	239.41	05-Feb-20
136.	Trade Sell	(9,421)	224.12	07-Feb-20
137.	Trade Sell	(2,123)	224.12	07-Feb-20
138.	Trade Sell	(701)	224.13	07-Feb-20
139.	Trade Sell	(27)	224.13	07-Feb-20
140.	Trade Sell	(1,927)	221.50	10-Feb-20
141.	Trade Sell	(434)	221.50	10-Feb-20
142.	Trade Sell	(143)	221.49	10-Feb-20
143.	Trade Sell	(6)	221.49	10-Feb-20
144.	Trade Sell	(10,967)	218.03	11-Feb-20
145.	Trade Sell	(3,622)	218.03	11-Feb-20
146.	Trade Sell	(140)	218.03	11-Feb-20

Item no.	Transaction type	Volume traded	Price (R)	Date
147.	Trade Sell	(12,603)	218.55	12-Feb-20
148.	Trade Sell	(4,163)	218.55	12-Feb-20
149.	Trade Sell	(161)	218.55	12-Feb-20
150.	Trade Buy	2,120	234.88	14-Feb-20
151.	Trade Sell	(615)	231.29	20-Feb-20
152.	Trade Sell	(2,910)	224.42	20-Feb-20
153.	Trade Sell	(2,910)	224.42	20-Feb-20
154.	Trade Sell	(1,758)	217.25	21-Feb-20
155.	Trade Sell	(400)	203.41	24-Feb-20
156.	Trade Sell	(2,462)	203.47	25-Feb-20
157.	Trade Sell	(3,632)	189.45	26-Feb-20
158.	Trade Sell	(681)	190.93	26-Feb-20
159.	Trade Sell	(30,171)	190.93	26-Feb-20
160.	Trade Sell	(406)	184.50	27-Feb-20
161.	Trade Sell	(10,658)	184.50	27-Feb-20
162.	Trade Sell	(585)	184.50	27-Feb-20
163.	Trade Sell	(236)	174.54	28-Feb-20
164.	Trade Sell	(4,431)	174.54	28-Feb-20
165.	Trade Sell	(6,194)	174.54	28-Feb-20
166.	Trade Sell	(340)	174.54	28-Feb-20
167.	Trade Sell	(574)	181.55	02-Mar-20
168.	Trade Sell	(10,853)	181.56	02-Mar-20
169.	Trade Sell	(15,085)	181.55	02-Mar-20
170.	Trade Sell	(828)	181.55	02-Mar-20
171.	Trade Sell	(21)	181.55	02-Mar-20
172.	Trade Sell	(153)	181.55	02-Mar-20
173.	Trade Sell	(653)	184.15	03-Mar-20
174.	Trade Sell	(12,252)	184.15	03-Mar-20
175.	Trade Sell	(17,156)	184.15	03-Mar-20
176.	Trade Sell	(942)	184.15	03-Mar-20
177.	Trade Sell	(24)	184.15	03-Mar-20
178.	Trade Sell	(175)	184.15	03-Mar-20
179.	Trade Sell	(157)	183.98	04-Mar-20
180.	Trade Sell	(3,115)	183.98	04-Mar-20
181.	Trade Sell	(4,121)	183.98	04-Mar-20
182.	Trade Sell	(226)	183.98	04-Mar-20
183.	Trade Sell	(6)	183.98	04-Mar-20
184.	Trade Sell	(309)	183.98	04-Mar-20
185.	Trade Sell	(615)	181.40	05-Mar-20
186.	Trade Sell	(11,411)	181.40	05-Mar-20
187.	Trade Sell	(16,128)	181.40	05-Mar-20
188.	Trade Sell	(885)	181.40	05-Mar-20
189.	Trade Sell	(22)	181.40	05-Mar-20
190.	Trade Sell	(385)	177.74	06-Mar-20
191.	Trade Sell	(7,158)	177.74	06-Mar-20
192.	Trade Sell	(555)	177.74	06-Mar-20
193.	Trade Sell	(14)	177.74	06-Mar-20
194.	Trade Sell	(10,117)	177.74	06-Mar-20

Public Investment Corporation - dealings in Shares

Item no.	Transaction type	Volume traded	Price (R)	Date
1.	Trade Buy	16,666	296.33	09-Sep-19
2.	Trade Buy	9,433	278.36	12-Sep-19
3.	Trade Buy	11,539	277.30	19-Sep-19
4.	Trade Buy	14,652	271.86	20-Sep-19
5.	Trade Buy	12,100	247.52	04-Oct-19
6.	Trade Buy	7,293	237.72	25-Nov-19
7.	Trade Buy	10,417	238.45	26-Nov-19
8.	Trade Buy	20,140	240.14	05-Feb-20
9.	Trade Buy	2,330	233.67	13-Feb-20
10.	Trade Buy	18,632	232.72	14-Feb-20
11.	Trade Sell	(2,462)	203.43	25-Feb-20
12.	Trade Sell	(30,171)	190.90	26-Feb-20
13.	Trade Sell	(10,658)	184.47	27-Feb-20
14.	Trade Sell	(6,194)	174.50	28-Feb-20
15.	Trade Sell	(15,085)	181.53	02-Mar-20
16.	Trade Sell	(17,156)	184.12	03-Mar-20
17.	Trade Sell	(4,121)	183.95	04-Mar-20
18.	Trade Sell	(10,117)	177.71	06-Mar-20



ASSORE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1950/037394/06)

JSE share code: ASR

ISIN: ZAE000146932

("Assore")

NOTICE OF GENERAL MEETING

THE ATTENTION OF SHAREHOLDERS IS DRAWN TO ANNEXURE 6 AND ANNEXURE 8 OF THE CIRCULAR, WHICH SETS OUT THE PROVISIONS OF SECTIONS 114, 115 AND 164 OF THE COMPANIES ACT.

If you are in any doubt as to what action you should take in respect of the General Meeting and/or the following Resolutions, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

All terms used in this Notice of General Meeting ("**Notice**") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Notice is attached.

Shareholders are reminded that:

- a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in its stead at the General Meeting in the place of that Shareholder, and Shareholders are referred to the attached Form of Proxy (*yellow*) in this regard;
- a proxy need not also be a Shareholder; and
- in terms of section 63(1) of the Companies Act, any person attending or participating in a meeting of shareholders must present reasonably satisfactory identification to the chairperson, and the chairperson must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified.

Notice is hereby given that a meeting of the Shareholders, as at the Scheme Voting Record Date of Friday, 3 April 2020, will be held at 11:00 on Thursday, 16 April 2020, at Assore's registered office, 15 Fricker Road, Illovo Boulevard, Johannesburg, South Africa, 2196, for the purpose of considering, and, if deemed fit, passing, with or without modification, the Resolutions set out hereafter.

SPECIAL RESOLUTION 1 – APPROVAL OF THE SCHEME RESOLUTION IN ACCORDANCE WITH SECTIONS 48(8)(a), 48(8)(b), 114(1)(e) AND 115(2)(a) OF THE COMPANIES ACT

"Resolved that the Scheme in terms of section 114(1) of the Companies Act (as more fully set out in the Circular and as may be amended as contemplated in the Circular), proposed by the Board between Assore and the Shareholders, other than the Excluded Shareholders, in terms of which, *inter alia*, Assore will, subject to the fulfilment or waiver of the Scheme Conditions Precedent (save for any Scheme Condition Precedent relating to the passing of this Special Resolution), and on the Operative Date, repurchase all of the Scheme Shares from the Scheme Participants and each Scheme Participant will receive the Scheme Consideration, pursuant to which the Shares will be delisted, in accordance with paragraph 1.17(b) of the Listings Requirements from the Main Board of the JSE, be and is hereby approved as a Special Resolution in accordance with sections 48(8)(a), 48(8)(b), 114(1)(e) and 115(2)(a) of the Companies Act, as amended, provided that the Scheme will terminate and that this Special Resolution number 1 will be treated as a nullity with immediate effect upon the Board's determination that any or all of the Scheme Conditions Precedent have not been fulfilled (or waived, to the extent possible) on or before the relevant date for fulfilment (or waiver, to the extent possible)."

Voting requirement

In order for Special Resolution number 1 to be passed the support of at least 75% of all of the voting rights exercised on the resolution by the Shareholders (eligible to vote) present in person or represented by proxy at the General Meeting, excluding an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them (as contemplated in section 115(4) of the Companies Act). Accordingly, the Remaining Shareholders are not allowed to vote on this Special Resolution number 1. The Scheme will terminate and Special Resolution number 1 will be treated as a nullity with immediate effect upon the Board's determination that any or all of the Scheme Conditions Precedent have not been fulfilled (or waived, to the extent possible) on or before the relevant date for fulfilment (or waiver, to the extent possible).

Explanatory note

In accordance with sections 48(8)(a) and 115(2)(a) of the Companies Act, the Scheme must be approved by a Special Resolution if any Shares are to be acquired by Assore from a director or prescribed officer of Assore or a person related to a director or prescribed officer of Assore. In addition, the Scheme will result in Assore acquiring more than 5% of Shares in issue as at the Scheme Consideration Record Date and thus the Scheme, as required by section 48(8)(b) of the Companies Act, is subject to the requirements of sections 114 and 115 of the Companies Act. Accordingly, the reason for this Special Resolution is to approve the Scheme in terms of sections 48(8)(a), 48(8)(b), 114(1)(e) and 115(2)(a) of the Companies Act.

SPECIAL RESOLUTION NUMBER 2 – APPROVAL OF THE REPURCHASE OF SHARES IN TERMS OF SECTION 48(8) OF THE COMPANIES ACT IF THE SCHEME TERMINATES OR LAPSES

“Resolved that, subject to, and conditional upon the passing of Special Resolution number 3, the Repurchase (as more fully described in paragraph 6.2 of the Circular to which this Notice is attached), in terms of which Assore will, subject to the fulfilment or waiver of the General Offer Conditions (save for any General Offer Condition relating to the passing of this Special Resolution number 2), and on and from the General Offer Payment Date, repurchase up to 100% of the General Offer Shares, in exchange for the General Offer Consideration, be and is hereby approved as a Special Resolution in terms of section 48(8) of the Companies Act.”

Voting requirement

In order for Special Resolution number 2 to be passed the support of at least 75% of all of the voting rights exercised on the resolution by the Shareholders (eligible to vote) present in person or represented by proxy at the General Meeting, excluding an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them (as contemplated in section 115(4) of the Companies Act). Accordingly, the Remaining Shareholders are not allowed to vote on this Special Resolution number 2.

Explanatory note

Special Resolution number 2 is required to approve the Repurchase by the requisite percentage of voting rights pursuant to which Assore will repurchase up to 100% of the General Offer Shares from the General Offer Participants in terms of section 48(8) of the Companies Act.

SPECIAL RESOLUTION NUMBER 3 – APPROVAL OF THE SPECIFIC REPURCHASE OF SHARES IN TERMS OF PARAGRAPH 5.69(B) OF THE LISTINGS REQUIREMENTS IF THE SCHEME TERMINATES OR LAPSES

“Resolved that, subject to, and conditional upon the passing of Special Resolution number 2, the Specific Repurchase (as more fully described in paragraph 6.2 of the Circular to which this Notice is attached), in terms of which Assore will, subject to the fulfilment or waiver of the General Offer Conditions (save for any General Offer Condition relating to the passing of this Special Resolution number 3), and on the Operative Date or on and from the General Offer Payment Date (as applicable), repurchase up to 100% of the General Offer Shares, in exchange for the General Offer Consideration, be and is hereby approved as a Special Resolution in terms of paragraph 5.69(b) of the Listings Requirements.”

Voting requirement

In order for Special Resolution number 3 to be passed the support of at least 75% of all of the voting rights exercised on the resolution by the Shareholders (eligible to vote) present in person or represented by proxy at the General Meeting, excluding any Shareholders and their associates that are participating in the Specific Repurchase (as contemplated in paragraph 5.69(b) of the Listings Requirements). For this purpose,

Shareholders who have provided irrevocable undertakings in respect of the Specific Repurchase as detailed in paragraph 16 above, and their respective associates (as defined in the Listings Requirements), will not be entitled to vote on this Special Resolution number 3.

Explanatory note

Special Resolution number 3 is required to approve the Specific Repurchase by the requisite percentage of voting rights pursuant to which Assore will repurchase 100% of the General Offer Shares from the General Offer Participants (or if applicable, up to 100% of the Scheme Shares from the Scheme Participants in terms of paragraph 5.69(b) of the Listings Requirements).

ORDINARY RESOLUTION NUMBER 1 – APPROVAL FOR THE DELISTING INTERMS OF PARAGRAPHS 1.15 AND 1.16 OF THE LISTINGS REQUIREMENTS

“**Resolved that**, subject to, and conditional upon the passing of Special Resolution number 2 and Special Resolution number 3 and the implementation of the General Offer in accordance with its terms, the listing of all Shares on the JSE be terminated with effect from Tuesday, 26 May 2020, or such other date as the JSE may determine.”

Voting requirement

In order for Ordinary Resolution number 1 to be passed the support of more than 50% of all of the voting rights exercised on the resolution by the Shareholders (eligible to vote) present in person or represented by proxy at the General Meeting, excluding any controlling shareholder, its associates and any party acting in concert. Accordingly, the Remaining Shareholders are not allowed to vote on this Ordinary Resolution number 1.

Explanatory note

Ordinary Resolution number 1 is required is to authorise Assore to make application to the JSE to delist the Shares from the Main Board of the JSE in terms of paragraphs 1.15 and 1.16 of the Listings Requirements, in the event that the General Offer becomes unconditional and is implemented.

QUORUM

The General Meeting may not begin until sufficient persons are present (in person or represented by proxy) at the General Meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting. A matter to be decided at the General Meeting may not begin to be considered unless sufficient persons are present at the meeting (in person or represented by proxy) to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda. In addition, a quorum shall consist of at least three Shareholders of Assore personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the General Meeting on matters to be decided by the Shareholders.

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

In terms of section 164 of the Companies Act, at any time before the Scheme Resolution as set out in this Notice of General Meeting is voted on, a Shareholder may give Assore a written notice objecting to the Scheme Resolution.

A Shareholder may demand that Assore pay the Shareholder the fair value for all of the Shares held by that person if:

- the Shareholder has sent Assore a notice of objection in terms of section 164(3) of the Companies Act;
- Assore has adopted Special Resolution number 1 and the Scheme becomes wholly unconditional and is implemented; and
- such Shareholder voted against Special Resolution number 1 and has complied with all of the procedural requirements of section 164 of the Companies Act.

The right to receive such fair value is subject to the provisions of the Circular and the Companies Act, including section 164(9).

Shareholders are referred to paragraph 5.8 of the Circular to which this Notice is attached for more information regarding Appraisal Rights. A copy of section 164 of the Companies Act is set out in **Annexure 8** to the Circular to which this notice is attached.

By order of the Board

African Mining and Trust Company Limited

Company Secretary

Johannesburg

Monday, 16 March 2020

Business address and Registered Office

Assore House

15 Fricker Road

Illovo Boulevard

Johannesburg

South Africa

2196

Transfer Secretaries to Assore

Singular Systems Proprietary Limited

(Registration number: 2002/001492/07)

25 Scott Street, Waverley

Johannesburg

South Africa

2090

(PO Box 785261, Sandton, 2146)



ASSORE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1950/037394/06)

JSE share code: ASR

ISIN: ZAE000146932

("Assore")

FORM OF PROXY (YELLOW) ("FORM")

Where appropriate and applicable the terms defined in the Circular to which this Form is attached forms part of and shall bear the same meaning in this Form.

For use by the holders of Certificated Shares and/or Dematerialised Shares held through a CSDP or Broker who have selected "Own-Name" Registration, registered as such at the close of business on the Scheme Voting Record Date, at the General Meeting to be held at 11:00 on Thursday, 16 April 2020, at Assore's registered office, 15 Fricker Road, Illovo Boulevard, Johannesburg, South Africa, 2196, or any postponement or adjournment thereof.

It is recommended that you complete the attached Form in accordance with the instructions contained herein and ensure that it is received by the Transfer Secretaries, for administrative purposes, by no later than 48 hours before the General Meeting that is to be held at 11:00 on Thursday, 16 April 2020, at Assore's registered office, 15 Fricker Road, Illovo Boulevard, Johannesburg, South Africa, 2196. The Form may also be handed to the chairperson of the General Meeting (or postponed or adjourned General Meeting) at any time before the General Meeting is due to commence or recommence, as the case may be.

Dematerialised Shareholders who have not selected "Own-Name" Registration must inform their CSDP or Broker timeously of their intention to attend and vote (or abstain) at the General Meeting or be represented by proxy thereat in order for the CSDP or Broker to issue them with the necessary letter of representation to do so or provide the CSDP or Broker timeously with their voting instruction should they not wish to attend the General Meeting in order for the CSDP or Broker to vote in accordance with their instructions at the General Meeting. Letters of representation must be lodged with the Transfer Secretaries by the commencement of the General Meeting (including any adjournment or postponement thereof). Such Shareholders must not use this Form.

I/We

(full name/s in **BLOCK LETTERS**)

of (address)

being the holder of ordinary shares in the capital of Assore, do hereby appoint (*see note*):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairperson of the General Meeting,

as my/our proxy to attend, participate in, speak and vote for me/us on my/our behalf at the General Meeting (or any postponement or adjournment thereof) for purposes of considering and, if deemed fit, passing, with or without modification, the Resolutions to be proposed thereat and at each postponement or adjournment thereof and to vote for and/or against the Resolutions and/or abstain from voting in respect of the Shares registered in my/our name/s. In accordance with the following instruction and otherwise in accordance with the Companies Act, the MOI and the terms of the attached notes:

Please indicate with an “X” in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy (if not the chairperson of the General Meeting) shall be entitled to vote or abstain from voting as he/she thinks fit, provided that if the proxy is the chairperson of the General Meeting, he/she shall be deemed to be instructed to vote in favour of the Resolutions set out above, in respect of all Shares held by the Shareholder.

	Number of votes		
	For	Against	Abstain
Special Resolution number 1			
Approval of the Scheme Resolution in accordance with sections 48(8)(a), 48(8)(b), 114(1)(e) and 115(2)(a) of the Companies Act			
Special Resolution number 2			
Approval of the Repurchase of Shares in terms of section 48(8) of the Companies Act			
Special Resolution number 3			
Approval of the Specific Repurchase of Shares in terms of paragraph 5.69(b) of the Listings Requirements			
Ordinary Resolution number 1			
Delisting of Shares from the JSE in terms of paragraphs 1.15 and 1.16 of the Listings Requirements			

Signed at _____ on _____ 2020

Signature _____

Capacity of signatory (where applicable) _____

Note: Authority of signatory to be attached (*see note 8 and 9 below*)

Assisted by (where applicable) _____

Capacity of signatory _____

Telephone number () _____

Cell phone number _____

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend, participate in, speak at and vote in his/her stead. A proxy need not be a Shareholder of Assore. Each Shareholder is entitled to appoint one or more proxies to attend, speak and vote in place of that Shareholder at the General Meeting (including any postponement or adjournment thereof).

Summary of the rights established in terms of section 58 of the Companies Act

For purposes of this summary, the term “shareholder” shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

In terms of section 58 of the Companies Act:

- At any time, a shareholder of a company is entitled to appoint an individual, including an individual who is not a shareholder of that company, as a proxy, to participate in, speak and vote at, a shareholders’ meeting on behalf of the shareholder.
- A shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
- A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for one year after the date upon which the proxy was signed, or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act or expires earlier as contemplated in section 58(8)(d) of the Companies Act.
- A proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy.

- A copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
- Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
- Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and Assore.
- The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
- If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder, must be delivered by such company to the shareholder, or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by Assore for doing so.
- A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation, or the instrument appointing the proxy provide otherwise.
- If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
 - such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
 - the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
 - Assore must not require that the proxy appointment be made irrevocable; and
 - the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

Notes:

1. *Every Shareholder present in person or by proxy and entitled to vote at the General Meeting shall in the event of a poll be entitled to one vote in respect of each Share held by him/her.*
2. *The Form must only be used by Certificated Shareholders or Shareholders who hold Dematerialised Shares with "Own-Name" Registration.*
3. *All other beneficial owners who have Dematerialised their shares through a CSDP or Broker and wish to attend the General Meeting must provide the CSDP or Broker with their voting instructions in terms of the relevant agreement entered into between them and the CSDP or Broker, as the case may be.*
4. *A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space/s provided overleaf, with or without deleting "the chairperson of the General Meeting", but any such deletion must be initialled by the Shareholder. Should this space be left blank, the chairperson of the General Meeting will exercise the proxy. The person whose name appears first on the Form and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.*
5. *A Shareholder's voting instructions to the proxy must be indicated by the insertion of an "X" or the number of votes exercisable by that Shareholder in the appropriate spaces provided. If an "X" has been inserted in one of the blocks to a particular Resolution, it will indicate the voting of all the Shares held by the Shareholder concerned. Failure to do this shall be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting, as he/she thinks fit in respect of all the Shareholder's exercisable votes. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by his/her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the Shareholder or by his/her proxy.*
6. *A minor or any person under incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretaries.*

7. *The completed Form or the power of attorney, or other authority, must be lodged with the Transfer Secretaries at:*

Singular Systems Proprietary Limited
25 Scott Street, Waverley
Johannesburg
2090,

or posted to

PO Box 785261, Sandton, 2146
E-mail: Assore@singular.co.za,

and is required to be delivered, for administrative purposes, to the Transfer Secretaries on or before 11:00 on Tuesday, 14 April 2020, being at least 48 hours (excluding Saturdays, Sundays and gazetted, national public holidays in South Africa) (or such lesser period as the Directors may determine in relation to any particular meeting) before the time appointed for the holding of the General Meeting (including an adjourned meeting), or in the case of a poll, not less than 24 hours (or such lesser period determined as aforesaid in relation to the particular poll) before the time appointed for taking the poll. Should the Form not be delivered to the Transfer Secretaries by this time, you will be required to furnish a copy of such Form to the chairperson of the General Meeting before the appointed proxy exercises any of the Shareholder's rights at the General Meeting (or an adjournment thereof).

8. *Documentary evidence establishing the authority of a person signing this Form in a representative capacity (eg for a company, close corporation, trust, pension fund, deceased estate etc.) must be attached to this Form unless previously recorded by the Transfer Secretaries or waived by the chairperson of the General Meeting.*
9. *Where this Form is signed under power of attorney, such power of attorney must accompany this Form, unless previously recorded by the Transfer Secretaries or waived by the chairperson of the General Meeting.*
10. *The completion and lodging of this Form shall not preclude the relevant Shareholder from attending the General Meeting (including any postponement or adjournment thereof) and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.*
11. *The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this Form other than the deletion of alternatives must be initialled by the signatory/ies.*
12. *The chairperson of the General Meeting may reject or accept any Form which is completed other than in accordance with these instructions provided that he/she is satisfied as to the manner in which a Shareholder wishes to vote.*
13. *Where there are joint holders of Shares:*
 1. *any one holder may sign the Form;*
 2. *the vote/s of the senior Shareholder (for that purpose seniority will be determined by the order in which the names of Shareholders appear in the Register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote/s of the other joint Shareholder/s.*
14. *A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by Assore at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.*



ASSORE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1950/037394/06)

JSE share code: ASR

ISIN: ZAE000146932

(“Assore”)

FORM OF SURRENDER AND TRANSFER IN RESPECT OF THE SCHEME (BLUE) (“FORM”)

Important notes concerning this Form:

- This Form is only for use in respect of the scheme of arrangement proposed by the Board between Assore and the Shareholders (the “**Scheme**”) in accordance with the requirements of section 114 of the Companies Act.
- Full details of the Scheme are contained in the Circular to Shareholders, dated Monday, 16 March 2020 (the “**Circular**”), to which this Form is attached. Accordingly, all terms used in this Form shall, unless the context otherwise requires or they are otherwise defined herein, have the meaning attributed to them in the Circular.
- Scheme Participants will receive the Scheme Consideration.
- A Dissenting Shareholder who subsequently becomes a Scheme Participant after the Scheme Consideration Record Date shall receive the Scheme Consideration.
- **This Form is attached for the convenience of Certificated Shareholders who may wish to surrender their Documents of Title prior to the date of the General Meeting to be held at Assore’s registered office, 15 Fricker Road, Illovo Boulevard, Johannesburg, South Africa, 2196, on Thursday, 16 April 2020.**

HOLDERS OF DEMATERIALISED SHARES MUST NOT COMPLETE THIS FORM.

INSTRUCTIONS:

1. The surrender of Documents of Title is for use only by Certificated Scheme Participants.
2. A separate Form is required for each Certificated Scheme Participant.
3. Part A must be completed by all Scheme Participants who return this Form.
4. Part B must be completed by all Scheme Participants who are emigrants from South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwathini (collectively, the “**Common Monetary Area**”).
5. If this Form is returned with the relevant Documents of Title to Shares, it will be treated as a conditional surrender which is made subject to the Scheme becoming operative. In the event of the Scheme not becoming operative for any reason whatsoever, Singular Systems Proprietary Limited will, by not later than five Business Days after the date upon which it becomes known that the Scheme will not be operative, return the Documents of Title to the Scheme Participants concerned, by registered post, at the risk of such Scheme Participants.
6. Persons who have acquired Shares after the date of the issue of the Circular to which this Form is attached, may obtain copies of the Form and the Circular from Singular Systems, 25 Scott Street, Waverley, Johannesburg, 2090.
7. The Scheme Consideration will not be sent to Certificated Scheme Participants unless and until Documents of Title in respect of the relevant Scheme Shares have been surrendered to Singular Systems Proprietary Limited.

To: **Singular Systems Proprietary Limited**
25 Scott Street, Waverley
Johannesburg
2090
(PO Box 785261, Sandton, 2146)

Dear Sirs,

PART A: TO BE COMPLETED BY ALL SCHEME PARTICIPANTS WHO RETURN THIS FORM.

I/We hereby surrender the Share certificate/s and/or other Documents of Title attached hereto, representing Shares, registered in the name of the person mentioned below and authorise the Transfer Secretaries, conditional upon the Scheme becoming operative, to register the transfer of these Shares into the name of Assore or its nominee/s:

Name of Shareholder	Certificate number/s	Number of Shares covered by each certificate/s enclosed
Total		

Surname or name of corporate body:

First name/s in full

Title (Mr, Mrs, Miss, Ms, etc.)

Address to which the Scheme Consideration should be sent (if different from registered address)

Postal code

Note:

Signature of Shareholder	Name and address of agent lodging this Form (if any)
Assisted by me (if applicable) (State full name and capacity)	
Date	2020
Telephone number (Home) ()	
Telephone number (Work) ()	
Cell phone number	

PART B: TO BE COMPLETED BY EMIGRANTS OF THE COMMON MONETARY AREA.

Nominated Authorised Dealer in the case of a Scheme Participant who is an emigrant from the Common Monetary Area (*see note 1 below*).

Name of dealer	Account number
Address	

PART C: TO BE COMPLETED IN BLOCK CAPITALS BY SHAREHOLDERS WHO ARE EMIGRANTS FROM THE COMMON MONETARY AREA (“EMIGRANTS”) AND NON-RESIDENTS OF THE COMMON MONETARY AREA (SEE NOTES 1 AND 2 BELOW).

The Scheme Consideration will be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling the Emigrant’s remaining assets in terms of the Exchange Control Regulations as nominated below for its control and credited to the Emigrant’s capital account. Accordingly, Shareholder Emigrants must provide the following information:

Name of Authorised Dealer:
Account number:
Address:
Account number:

If Emigrants make no nomination above, the Company Secretary will hold the Scheme Consideration in trust. Non-residents must complete Part C if they wish the Scheme Consideration to be paid to an Authorised Dealer in South Africa.

Notes:

1. *Emigrants from the Common Monetary Area must complete Part B.*
2. *All other non-residents of the Common Monetary Area must complete Part C if they wish the Scheme Consideration to be paid to an Authorised Dealer in South Africa.*
3. *If Part B is not properly completed by Emigrants, the Scheme Consideration will be held in trust by the Company Secretary pending receipt of the necessary nomination or instruction. No interest will be paid on the amount so held in trust.*
4. *No receipts will be issued for documents lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required. Signatories may be called upon for evidence of their authority or capacity to sign this Form.*
5. *Persons who are Emigrants from the Common Monetary Area should nominate the Authorised Dealer in foreign exchange in South Africa which has control of their remaining assets in Part B of this Form. Failing such nomination, the Scheme Consideration due to such Scheme Participants in accordance with the provisions of the Scheme will be held by Assore, pending instructions from the Scheme Participants concerned.*
6. *Any alteration to this Form must be signed in full and not initialled.*
7. *If this Form is signed under a power of attorney, then such power of attorney, or a notarial certified copy thereof, must be sent with this Form for noting (unless it has already been noted by Assore or the Transfer Secretaries). This does not apply in the event of this form bearing a JSE Broker’s stamp.*
8. *Where the Scheme Participant is a company or a close corporation, unless it has already been registered with Assore or the Transfer Secretaries, a certified copy of the directors’ or members’ resolution authorising the signing of this Form must be submitted if so requested by Assore.*
9. *If this Form is not signed by the Scheme Participant, the Scheme Participant will be deemed to have irrevocably appointed the Transfer Secretaries to implement the Scheme Participant’s obligations under the Scheme on his/her behalf.*
10. *Where there are any joint holders of any Scheme Shares, only that holder whose name stands first in the Register in respect of such Shares need sign this Form.*
11. *A minor must be assisted by his/her parent or guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretaries.*



ASSORE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1950/037394/06)

JSE share code: ASR

ISIN: ZAE000146932

("Assore")

FORM OF ACCEPTANCE AND TRANSFER FOR THE GENERAL OFFER (FOR USE BY CERTIFICATED SHAREHOLDERS ONLY) (PINK) ("FORM")

Where appropriate and applicable the terms defined in the Circular to Shareholders dated Monday, 16 March 2020 (the "Circular"), to which this Form is attached, shall bear the same meaning in this Form, unless a word or term is otherwise defined herein.

This Form should be read in conjunction with the Circular.

This Form is only for use by Eligible Shareholders holding Certificated Shares ("**Certificated Eligible Shareholders**") in respect of the General Offer proposed by Assore.

Full details of the General Offer are contained in the Circular to which this Form is attached.

This Form is attached for use by Certificated Eligible Shareholders for purposes of accepting the General Offer and Tendering General Offer Shares in terms of the General Offer.

HOLDERS OF DEMATERIALISED SHARES MUST NOT COMPLETE THIS FORM.

INSTRUCTIONS:

1. A separate Form is required for each Certificated Eligible Shareholder.
2. Certificated Eligible Shareholders must complete this form in **BLOCK CAPITALS**.
3. The surrender of Documents of Title is for use only by General Offer Participants who are Certificated Shareholders.
4. If you complete the Form of Surrender and Transfer (*blue*) and return it, together with the relevant Documents of Title, to the Transfer Secretaries in anticipation of the Scheme becoming operative, you will still be required to complete this Form, but you will not be required to surrender your Documents of Title again.
5. Part A must be completed by all Certificated Eligible Shareholders who return this Form.
6. Part B must be completed by a Certificated Eligible Shareholder who completed Part A and who is an emigrant from, or non-resident of, South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini (collectively, the "**Common Monetary Area**").
7. Part C must be completed by Certificated Eligible Shareholders who completed Part A and who elect to receive the General Offer Consideration to be made by way of the electronic flow of funds.
8. The completed Form and the Documents of Title in respect of the General Offer Shares Tendered must be returned to the Transfer Secretaries so as to be received by not later than 12:00 on the General Offer Closing Date.
9. Once this Form is received by the Transfer Secretaries, your acceptance of the General Offer will be final, and you may not withdraw your acceptance unless expressly permitted by the Companies Regulations.
10. If you do not validly accept the General Offer by 12:00 on the General Offer Closing Date, you will be deemed to have declined the General Offer. Late acceptances may be accepted or rejected at Assore's absolute and sole discretion.

11. If this Form is returned with the relevant Documents of Title to the General Offer Shares, it will be treated as a conditional surrender which is made subject to the General Offer becoming wholly unconditional. In the event of the General Offer not becoming wholly unconditional for any reason whatsoever the Transfer Secretaries will, by not later than five Business Days after the date upon which it becomes known that the General Offer will not become wholly unconditional, return the Documents of Title to the Shareholders concerned, by registered post, at the risk of such Shareholders.
12. Persons who have acquired Shares after the date of the issue of the Circular to which this Form is attached, may obtain copies of the Form and the Circular from the Transfer Secretaries.
13. The General Offer Consideration will not be sent to Certificated General Offer Participants unless and until Documents of Title in respect of the relevant General Offer Shares have been surrendered to the Transfer Secretaries.

To: **Singular Systems Proprietary Limited**

25 Scott Street, Waverley
 Johannesburg
 2090
 (PO Box 785261, Sandton, 2146)

Dear Sirs,

PART A: TO BE COMPLETED BY ALL SCHEME PARTICIPANTS WHO RETURN THIS FORM.

I/We hereby surrender the Share certificate/s and/or other Documents of Title attached hereto, representing Shares, registered in the name of the person mentioned below and authorise the Transfer Secretaries, conditional upon the General Offer becoming operative, to register the transfer of these Shares into the name of Assore or its nominee/s:

Name of Shareholder	Certificate number/s	Number of Shares covered by each certificate/s enclosed
Total		

Surname or Name of corporate body:

First name/s in full

Title (Mr, Mrs, Miss, Ms, etc.)

Address to which the General Offer Consideration should be sent (if different from registered address)

Postal code

Note:

Signature of Shareholder	Name and address of agent lodging this Form (if any)
Assisted by me (if applicable) (State full name and capacity)	
Date 2020	
Telephone number (Home) ()	
Telephone number (Work) ()	
Cell phone number	

PART B: TO BE COMPLETED BY A CERTIFICATED ELIGIBLE SHAREHOLDER WHO COMPLETED PART A AND WHO IS AN EMIGRANT FROM, OR NON-RESIDENT OF, THE COMMON MONETARY AREA (see notes 3 and 4 below).

In the case of Certificated Eligible Shareholders who are emigrants: The General Offer Consideration will be posted, or transferred (at the risk of the Certificated Eligible Shareholders) to the Authorised Dealer nominated by the Certificated Eligible Shareholders below for its control and credited to the emigrant's capital account. Accordingly, non-residents who are emigrants must provide the following information:

NB

PART A must also be completed

Name of Authorised Dealer:	Stamp and address of agent lodging this Form (if any)
Account number:	
Address:	
Signature of Authorised Dealer:	

If emigrants make no nomination above, the Transfer Secretaries will hold the consideration in trust for the benefit of the emigrants concerned until lawfully claimed by such General Offer Participant for a maximum period of five years, after which such funds shall be paid over to the Guardian's Fund.

In the case of all other Certificated Eligible Shareholders: The General Offer Consideration will be posted, to the registered address of the non-resident concerned, unless written instructions to the contrary are received and a substitute address is provided below (in each case at the risk of the Certificated Eligible Shareholder):

Substitute address:	Stamp and address of agent lodging this Form (if any)
Signature of Shareholder:	
Name of Authorised Dealer:	
Signature of Authorised Dealer:	

C: TO BE COMPLETED BY CERTIFICATED ELIGIBLE SHAREHOLDERS WHO COMPLETED PART A AND WHO ELECT TO RECEIVE THE GENERAL OFFER CONSIDERATION TO BE MADE BY WAY OF THE ELECTRONIC FLOW OF FUNDS.

To be completed in BLOCK CAPITALS by Certificated Eligible Shareholders wishing to receive payment of the General Offer Consideration by means of EFT.

I/We, being a holder/s of General Offer Shares hereby request that the General Offer Consideration be electronically deposited into my/our bank account, the details of which are as follows:

Name of account holder (no third party accounts):		
Bank name:		
Branch name:		
Branch code:		
Account number:		
Signature of Shareholder:		
Assisted by me (if applicable):		
(State full name and capacity):		
Date:		
Tel (Home) ()	Tel (Work) ()	Cell phone

In terms of the Financial Intelligence Centre Act, No. 38 of 2001, as amended, the Transfer Secretaries will only be able to record the bank details if certified true copies of the Shareholder's identity document and bank statement are submitted with this Form.

Assore undertakes no responsibility for verification of the banking details provided above nor for the authenticity of the signature above. Certificated Eligible Shareholders warrant the correctness of the above banking details and indemnify and hold Assore harmless against any loss for funds having been paid into the account, details of which have been provided above.

Notes and instructions:

1. *Applications under this Form are irrevocable and may not be withdrawn once submitted.*
2. *General Offer Participants should consult their professional advisors in case of doubt as to the correct completion of this Form.*
3. *Emigrants of the Common Monetary Area must, in addition to Part A, also complete Part B. If Part B is not properly completed, the General Offer Consideration will be held in trust by Assore or the Transfer Secretaries until claimed for a maximum period of five years, after which period such funds shall be paid over to the Guardians Fund of the Court. No interest will accrue or be paid on any General Offer Consideration so held in trust.*
4. *All other non-residents of the Common Monetary Area must also complete Part B if they wish the General Offer Consideration to be to be paid to an Authorised Dealer in South Africa.*
5. *Persons who are emigrants from the Common Monetary Area should nominate the Authorised Dealer in foreign exchange in South Africa which has control of their remaining assets in Part B of this Form. Failing such nomination, the General Offer Consideration due to such General Offer Participants in accordance with the provisions of the General Offer will be held by Assore or the Transfer Secretaries, pending instructions from the General Offer Participants concerned.*
6. *The General Offer Consideration will not be sent to General Offer Participants unless and until Documents of Title in respect of the relevant General Offer Shares have been surrendered to the Transfer Secretaries.*
7. *If a Certificated Eligible Shareholder produces evidence to the satisfaction of Assore that Documents of Title in respect of General Offer Shares have been lost or destroyed, Assore may waive the surrender of such Documents of Title against delivery of a duly executed indemnity (including against any damage, expense, loss or payment that Assore, or any of its duly authorised representatives, may incur or suffer by reason of, or arising from, the payment of the General Offer Consideration to such person) in a form and on terms and conditions approved by Assore, or may in their discretion waive such indemnity.*
8. *If this Form is not signed by the Certificated Eligible Shareholder, the Certificated Eligible Shareholder will be deemed to have irrevocably appointed the Transfer Secretaries to implement that Certificated Eligible Shareholder's obligations under the General Offer, as the case may be, on his/her behalf.*
9. *No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts. Signatories may be called upon for evidence of their authority or capacity to sign this Form.*
10. *Any alteration to this Form must be signed in full and should not be merely initialled.*
11. *If this Form is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this Form for noting (unless it has already been noted by Assore or the Transfer Secretaries).*
12. *Where the Certificated Eligible Shareholder is a company or a close corporation, unless it has already been registered with Assore or the Transfer Secretaries, a certified copy of the directors' or members' resolution authorising the signing of this Form must be submitted if so requested by Assore.*
13. *A minor must be assisted by his parent or guardian, unless the relevant documents establishing his legal capacity are produced or have been registered by Assore or the Transfer Secretaries.*
14. *Notes 11, 12 and 13 do not apply in the case of a form bearing a JSE Broker's stamp.*
15. *Where General Offer Shares are held jointly, only the holder whose name stands first in the Register must sign this Form.*