

AUSTRO GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2001/029771/06)

JSE share code: ASO ISIN: ZAE000090882

("Austro" or "the company")



POSTING OF CIRCULAR, SALIENT DATES AND TIMES OF MANDATORY OFFER

1. INTRODUCTION

Shareholders are referred to the announcements released on SENS on 26 September 2013 and 23 October 2013 wherein shareholders were advised, *inter alia*, that Ricophase Proprietary Limited ("**Ricophase**") together with the persons with whom Ricophase is acting in concert or deemed to be acting in concert (collectively the "**concert parties**") hold in excess of 35% of the issued share capital of Austro. In consequence a mandatory offer has been triggered in terms of section 123 of the Companies Act (71 of 2008) (the "**Companies Act**") by Ricophase on its own behalf and on behalf of the concert parties (collectively the "**offeror**") to acquire all of the ordinary shares in Austro not already owned by the offeror (the "**offer**").

A combined offer circular (the "**circular**") relating to the offer has been posted to Austro shareholders dated 5 November 2013. Copies of the circular will be made available for inspection during normal business hours at the offices of Austro, 1125 Leader Avenue, Stormill Extension 4, Roodepoort, from 5 November 2013 to 20 December 2013. The circular is also available on Austro's website www.austrogrouplimited.com.

Terms defined in the circular shall bear the same meaning in this announcement.

2. TERMS OF THE OFFER

The offeror has extended an unconditional cash offer, as required in terms of section 123(4) of the Companies Act, to Austro shareholders other than the offeror to acquire all or part of such Austro shareholders' shares at an offer price of 55.2 cents per share.

3. OPINIONS AND RECOMMENDATIONS OF THE INDEPENDENT BOARD

In accordance with the provisions of the Companies Act and the Takeover Regulations an independent sub-committee of the Austro board of directors (the "**independent board**") has been appointed to advise Austro shareholders on the offer.

The independent board has appointed BDO Corporate Finance Proprietary Limited (the "**independent expert**") as its independent expert to provide the independent board with its opinion as to whether the terms of the offer are fair and reasonable to Austro minority shareholders, in conformity with the applicable requirements of Regulation 90 of the Takeover Regulations.

On 21 October 2013, the independent expert delivered to the independent board of Austro an opinion to the effect that, as of the date of the opinion, and based upon and subject to the factors and assumptions detailed in its letter, the terms and conditions of the offer, and in particular, the offer consideration are not fair and not reasonable to the offerees.

The independent board, having considered the terms and conditions of the offer and, *inter alia*, the opinion of the independent expert, is of the opinion that the offer is not fair and not reasonable to the

offerees. The board recommends that shareholders do not accept the offer. The board however has no objection to the intentions of Ricophase and its concert parties in respect of Austro as set out in paragraph 21 of the circular.

4. SALIENT DATES AND TIMES RELATING TO THE OFFER

	2013
Record date in order to receive the circular	Friday, 25 October
Circular posted to Austro shareholders	Tuesday, 5 November
Opening date of the offer (09:00)	Wednesday, 6 November
Last day to trade of shareholders wishing to accept the offer	Thursday, 12 December
Shares trade "ex" the offer	Friday, 13 December
Offer closes at 12:00 on	Friday, 20 December
Record date to determine which shareholders may accept the offer	Friday, 20 December
Results of offer to be announced on SENS	Monday, 23 December
Results of the offer to be announced in the press	Tuesday, 24 December
Payment date	See notes 6 and 7 below

Notes:

1. Certificated Austro shareholders are required to complete and return the attached form of acceptance in accordance with the instructions contained therein to be received by the transfer secretaries by no later than 12:00 on the closing date.
2. Any change to the above dates and times will be agreed upon by the offeror and Austro and advised to Austro shareholders by release on SENS and, if required, publication in the South African press.
3. No dematerialisation or rematerialisation of Austro shares will take place between Friday, 13 December 2013 and Friday, 20 December 2013, both days inclusive.
4. All times indicated above are South African times.
5. Offerees should note that acceptance of the offer will be irrevocable.
6. Certificated shareholders who accept the offer will have the offer consideration posted to them or transferred to them by way of EFT (depending on the election in the form of acceptance) by no later than the payment date, being within 6 business days of the date on which such shareholders deliver forms of acceptance and documents of title to the transfer secretaries with final payment being made on the first business day after the closing of the offer.
7. Dematerialised shareholders who accept the offer will have their accounts at their CSDP or broker updated by no later than the payment date, being within 6 business days of the date on which the CSDP or brokers of such Austro shareholders notify the transfer secretaries of their acceptance of the offer with final payment being made on the first business day after the closing of the offer.

5 November 2013

Corporate advisor, legal advisor and sponsor

JAVACAPITAL

Independent expert

