
UPDATE IN RESPECT OF THE CENTLUBE ACQUISITION

Shareholders are referred to the announcement released on SENS on 13 August 2014 wherein shareholders were advised that Austro had entered into an agreement with Ricophase Proprietary Limited, Tapson Sadiki, Tebogo Desiree Kukama, Aobakwe Reginald Koketso Kukama (collectively the "**Friedshelf shareholders**"), the Horatio Share Trust (the "**Hinckley Trust**") and Grant Hinckley (the "**acquisition agreement**") pursuant to which, subject to the fulfilment of the conditions precedent, Austro will acquire, with effect from 1 March 2014, an effective 100% of the equity in Centlube Holdings Proprietary Limited ("**the Centlube acquisition**"), as well as the announcement released on SENS on 30 October 2014 wherein shareholders were advised, *inter alia*, that a circular in respect of the Centlube acquisition and the change of name of the company to "enX Group Limited" was posted to shareholders.

In terms of the acquisition agreement, the purchase consideration payable by Austro for the Centlube acquisition would be R64 million, provided that if Centlube Holdings Proprietary Limited or its wholly owned subsidiary, Centlube Proprietary Limited ("Centlube") is appointed as the licensee and/or distributor for a certain global oil major and significant player in the lubricants industry on or before 31 December 2015, the purchase consideration would be increased by R16 million (the "**additional payment**") to R80 million.

Shareholders are advised that, with effect from 1 January 2015, Centlube has been appointed by ExxonMobil Petroleum and Chemical BVBA as a distributor of Mobil lubricants for its Automotive and Industrial line of business in South Africa, Lesotho and Swaziland as well as in respect of certain Strategic Global Accounts in selected Sub-Saharan African countries. Centlube will also continue as a licensee and distributor of ENI lubricants and produce steel rolling fluids on behalf of Houghton plc.

The purchase consideration for the Centlube acquisition will accordingly be increased by the additional payment of R16 million to R80 million. The additional payment will be discharged by Austro upon the acquisition agreement becoming unconditional as follows:

- R8 million will be payable to the Friedshelf shareholders (*pro rata* to their shareholding in Friedshelf 1320 Proprietary Limited) by the allotment and issue of Austro shares valued at an issue price equal to a 5% discount to the 30 day volume weighted average traded price of Austro shares prior to the allotment and issue of those Austro shares; and
- R8 million will be payable to the Hinckley Trust in cash.

14 November 2014

Corporate advisor, legal advisor and sponsor to Austro

JAVACAPITAL