

**Sentula Mining Limited**

Incorporated in the Republic of South Africa

(Registration number 1992/001973/06)

Share code: SNU ISIN: ZAE000107223

("Sentula" or "the Company")



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**POSTING OF A CIRCULAR AND NOTICE OF A GENERAL MEETING**

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**1. INTRODUCTION**

Sentula shareholders are referred to the announcements issued on the Stock Exchange News Service ("SENS") on 25 November 2015 and 17 December 2015, in which shareholders were advised that the Company had commenced discussions with its existing lenders with a view to concluding a debt restructuring agreement and that the Board of Directors of Sentula ("the Board") intends to raise up to R105.58 million through a partially underwritten renounceable rights offer, to be undertaken on a one-for-one basis at 18 cents per share ("the Rights Offer") (collectively, "the Capital Restructuring").

In the announcement of 17 December 2015, shareholders were advised that the Company had entered into an underwriting agreement with JB Private Equity Investors Partnership ("the Partnership"), represented by JB Private Equity Investors Trust in its capacity as General Partner, in terms of which the Partnership would underwrite R10.44 million of the Rights Offer ("Partnership Underwriting Agreement").

The Board is pleased to advise shareholders that the Company has entered into a second underwriting agreement with the Dalikhaya Rain Zihlangu Family Trust ("the DRZ Family Trust"), in terms of which the DRZ Family Trust will underwrite up to R10 million of the Rights Offer, to the extent that the Rights Offer is not fully subscribed for by, firstly, shareholders and, secondly, the Partnership in terms of the Partnership Underwriting Agreement.

**2. SHAREHOLDER APPROVALS REQUIRED**

As mentioned in the announcement of 17 December 2015, in order to implement the Rights Offer, the Company is required to obtain shareholder approval to increase its authorised but unissued share capital (by way of an amendment to the Company's Memorandum of Incorporation ("MOI")) and to give the Board the authority to issue the Rights Offer shares in terms of section 41(3) of the Companies Act (collectively, "the Enabling Resolutions").

The Partnership and Regarding Capital Management Proprietary Limited (“the Associated Entities”) currently own, or control, the voting rights in relation to 19.59% and 7.89% respectively, of the Sentula shares in issue and are considered to be related persons in terms of the Companies Act, 2008 (“the Companies Act”). These Associated Entities have conditionally undertaken to follow their rights pursuant to the Rights Offer. Depending on the outcome of the Rights Offer, there is a possibility that the combined shareholding of Associated Entities will exceed 35%. Accordingly, independent Sentula shareholders, being the Sentula shareholders other than the Associated Entities, will be asked to waive a Mandatory Offer to be made by the Associated Entities (at 18 cents per share) in terms of Regulation 86(4) of the Companies Regulations (“the Waiver”), as a condition of the Rights Offer.

**3. DISTRIBUTION OF THE CIRCULAR AND NOTICE OF GENERAL MEETING**

Sentula shareholders are hereby advised that a circular has, today, been distributed to shareholders and made available for download on the Company’s website ([www.sentula.co.za](http://www.sentula.co.za)), containing:

- details of the Capital Restructuring;
- details of the Enabling Resolutions;
- details of the Waiver;
- a notice convening a general meeting of Sentula shareholders to consider and, if deemed fit, pass (with or without modification) the Enabling Resolutions and the Waiver to be held at **10:00 on 10 February 2016, at Block 14 - Ground Floor, Woodlands Office Park, Woodmead, 2080**; and
- a form of proxy to vote at the general meeting (for use by certificated Sentula shareholders and own-name dematerialised Sentula shareholders).

**4. WAIVER OF MANDATORY OFFER**

In accordance with the TRP guideline 2/2011 concerning waivers of mandatory offers, shareholders are hereby advised that any shareholder who wishes to make representations relating to the Waiver, has 10 business days from today (being the date of posting of the Circular) to make such representations to the TRP. Any such representations would be taken into account before the TRP would consider its ruling. Any such representations should be made in writing and delivered by hand, posted or faxed to:

The Executive Director Takeover Regulation Panel 1st Floor, Building B Sunnyside Office Park 32 Princess of Wales Terrace Parktown 2193	The Executive Director Takeover Regulation Panel PO Box 91833 Auckland Park 2006	The Executive Director Takeover Regulation Panel +27 11 642 9284
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In order to be considered, the representations should reach the TRP by no later than the close of business on 29 January 2016. If any representations are made to the TRP within the permitted timeframe, the TRP will consider the merits thereof before making a ruling.

## 5. EXPECTED TIMETABLE FOR THE GENERAL MEETING AND RIGHTS OFFER

The expected timetable as set out in the announcement of 17 December 2015 remains unchanged.

Johannesburg

13 January 2016

Corporate advisor and transaction sponsor



Questco (Proprietary) Limited