

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this circular apply *mutatis mutandis* throughout this circular.

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

1. If you have disposed of all of your shares in Sentula, then this circular, together with the attached notice of general meeting and form of proxy should be forwarded to the purchaser to whom, or the broker, agent, CSDP or banker through whom you disposed of your shares.
2. The general meeting convened in terms of this circular will be held at 10:00 on Wednesday, 25 June 2014 at the registered office of Sentula, Ground Floor, Building 14, Woodlands Office Park, Woodmead, Johannesburg, 2080.
3. **Certificated shareholders and dematerialised shareholders with “own name” registration, who** are unable to attend the general meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein.
Dematerialised shareholders, other than dematerialised shareholders with “own name” registration, who:
 - are unable to attend the general meeting and wish to be represented thereat, must provide their CSDP or broker with their voting instructions, in terms of the custody agreement entered into between themselves and the CSDP or broker concerned, in the manner and within the time stipulated therein;
 - wish to attend the general meeting, must instruct their CSDP or broker to issue them with the necessary letter of representation to attend, in the form of a letter of representation.
4. Sentula does not accept any responsibility and will not be held liable for any failure on the part of any CSDP or broker of a dematerialised shareholder to notify such shareholder of the general meeting or any business to be concluded thereat.



CIRCULAR TO SHAREHOLDERS OF SENTULA

regarding

- the proposed disposal by Sentula of its shares in and claims against its wholly-owned subsidiary, Benicon Coal, through which Sentula holds 60% of the shares in Nkomati, being the owner of the Nkomati Mine;
- the proposed disposal by Sentula of all of its shares in and claims against its 74%-owned subsidiary, Benicon Mining, which holds the Bankfontein Mining Right;
- the general authority to sell the Treasury Shares for cash;

and enclosing

- a notice convening the general meeting; and
 - a form of proxy for use by certificated shareholders of Sentula and “own name” registered dematerialised shareholders only.
-



Competent Person and
Competent Valuator

Venmyn **Deloitte.**

Auditors and reporting
accountants



Reporting accountants



Date of issue: 27 May 2014

Additional copies of this circular, in its printed format, may be obtained from the Sponsor at the address set out in the “Corporate information” section of this circular during normal business hours from Tuesday, 27 May 2014 up to and including Wednesday, 25 June 2014. Copies of this circular are available in the English language only.

CORPORATE INFORMATION

Sentula Mining Limited

Date of incorporation: 10 April 1992

Place of incorporation: South Africa

Company Secretary and registered address of Sentula

Gesina ("Ina") Cecilia Cross
Sentula Mining Limited
(Registration number 1992/001973/06)
Ground Floor, Building 14
Woodlands Office Park
Woodmead, Johannesburg, 2080
(PO Box 76, Woodlands Office Park
Woodmead, 2080)

Sponsor

Merchantec Capital
(Registration number 2008/027362/07)
2nd Floor, North Block
Hyde Park Office Tower
Corner 6th Road and Jan Smuts Avenue
Hyde Park, Johannesburg, 2196
(PO Box 41480, Craighall, 2024)

Auditors and reporting accountants

PricewaterhouseCoopers Inc.
(Registration number 1998/012055/21)
Chartered Accountants (SA)
Registered Auditors
2 Eglin Road
Sunninghill, 2157
(Private Bag X36, Sunninghill, 2157)

Legal advisors

Cliffe Dekker Hofmeyr Inc.
(Registration number 2008/018923/21)
1 Protea Place
Sandown
Sandton, 2196
(Private Bag X40, Benmore, 2010)

Competent Person and Competent Valuator

Venmyn Deloitte
(Registration number 1988/004918/07)
Building 33
Woodlands Office Park
20 Woodlands Drive
Woodmead, Sandton, 2080
(Private Bag X6, Gallo Manor, 2052)

Benicon Coal Proprietary Limited

Date of incorporation: 3 June 1993

Place of incorporation: South Africa
Ground Floor, Building 14
Woodlands Office Park
Woodmead, Johannesburg, 2080
(PO Box 76, Woodlands Office Park
Woodmead, 2080)

Benicon Mining Proprietary Limited

Date of incorporation: 4 October 1982

Place of incorporation: South Africa
Ground Floor, Building 14
Woodlands Office Park
Woodmead, Johannesburg, 2080
(PO Box 76, Woodlands Office Park
Woodmead, 2080)

Reporting accountants

KPMG Inc.
(Registration number 1999/012876/07)
Chartered Accountants (SA)
Registered Auditors
KPMG Crescent, 85 Empire Road
Parktown, 2193
(Private Bag 9, Parkview, 2122)

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Ground Floor
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)