

RECM and Calibre Limited
(Incorporated in the Republic of South Africa)
Registration number 2009/012403/06
Preference Share Code: RACP
ISIN: ZAE000145041
("RAC" or "the Company")



ACQUISITION BY RAC OF 24.99% OF THE SHARES IN TRANS HEX GROUP LIMITED

Introduction

On 25 September 2014, the Company acquired a further 10.1% interest ("the Acquisition") in Trans Hex Group Limited ("Trans Hex"), bringing the aggregate interest of RAC and the total interest acquired by RAC, within the past 12 month period, to 24.99% of the total issued ordinary share capital of Trans Hex ("the Aggregated Acquisitions"). The Acquisition was concluded on market.

Description of the business of Trans Hex

Trans Hex's main business revolves around the exploration, mining and marketing of diamonds in South Africa and Angola. The flagship operation, Baken Mine, is situated on the banks of the lower Orange River approximately 60 km from Alexander Bay. In addition to their interest in Baken Mine, Trans Hex also has operations in the Richtersveld and holds a 33% stake in Sociedade Mineira Luana (Somiluana), a fully operational alluvial mine in Angola, where Trans Hex is the appointed mining operator.

Rationale for the Acquisition

RAC and Trans Hex are partners on the possible Namaqualand Mines transaction. Given RAC's significant commitment to this transaction, it was deemed strategically important to increase the Company's stake in Trans Hex to more than 20%.

Effective date

The effective date of the Acquisition was 25 September 2014.

Purchase consideration

The aggregate consideration paid in respect of the Aggregated Acquisitions of the 24.99% of Trans Hex is a cash amount of R93.7 million.

Classification of the transaction

The Aggregated Acquisitions are classified collectively as a Category 2 transaction in terms of section 20.16, as read with section 9.11 of the Listings Requirements of the JSE Limited ("Listings Requirements").

Pro forma financial effects

In line with the accounting policy of RAC, as an investment entity, the Aggregated Acquisitions are accounted for initially at cost and will be fair valued at the end of the reporting period. As such, neither the Acquisition nor the Aggregated Acquisition have any effect on the net asset value, earnings or headline earnings per share of RAC at the effective date.

Accordingly, in line with paragraph 9.15(d) and (e) of the JSE Listings Requirements, no pro-forma financial effects are shown for the Acquisition.

Cape Town
29 September 2014

Sponsor
Questco (Pty) Ltd