

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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RIGHTS OFFER DECLARATION ANNOUNCEMENT

1. Introduction

Sentula shareholders ("Shareholders") are referred to the announcement released on Thursday, 17 December 2015 on the Stock Exchange News Service ("SENS") and the circular to Shareholders dated 13 January 2016 pertaining to a partially underwritten renounceable rights offer ("the Rights Offer"). Further details of the Rights Offer are detailed below.

2. Terms of the Rights Offer

Shareholders are hereby offered the right to subscribe for 100 shares ("Rights Offer Shares") for every 100 shares held on the record date of the rights offer, being 4 March 2016 ("the Record Date") at a subscription price of 18 cents per Rights Offer Share.

To the extent that the Rights Offer is fully subscribed, a maximum of 581 005 310 Rights Offer Shares will be issued, raising R104.58 million.

3. Shareholder commitments and underwriters

i. Irrevocable undertaking

Regarding Capital Management, which holds, on behalf of clients, 7.89% of Sentula shares and JB Private Equity Investors Partnership, which holds 19.59% of Sentula shares have irrevocably undertaken to follow their rights in terms of the Rights Offer.

ii. Underwriting agreements

An en commandite partnership entered into between the JB Private Equity Trust, JB Capital Proprietary Limited and RECM and Calibre Limited has agreed to underwrite 143 000 000 Rights Offer Shares (with a total capital subscription of R25 740 000) to the extent that the Rights Offer is not fully subscribed.

The Dalikhaya Rain Family Trust, the trustees of which are Dalikhaya Rain Zihlangu, a non-executive director of Sentula, and L O Zihlangu, has agreed to subscribe for 55 555 555 Rights Offer Shares (with a total capital subscription of R10 000 000) to the extent that the Rights Offer is not fully subscribed.

4. Salient dates and times of the Rights Offer

The proposed salient dates and times for the Rights Offer are set out below:

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| Last day to trade in Sentula shares in order to settle trades by the Record Date and qualify to participate in the Rights Offer (<i>cum</i> rights) on | Friday, 26 February |
| Shares commence trading <i>ex</i> rights on the JSE at 09h00 under JSE code SNU and ISIN ZAE000107223 on | Monday, 29 February |
| Listing of and trading in the “Letters of Allocation” commences under JSE code SNUN and ISIN ZAE000213187 at 09h00 on | Monday, 29 February |
| Circular and Form of Instruction posted to qualifying certificated shareholders on | Tuesday, 1 March |
| Record Date for purposes of determining the Shareholders entitled to participate in the Rights Offer, and qualify as qualifying shareholders, at the close of business on | Friday, 4 March |
| Holders of dematerialised shares will have their accounts at their CSDP or broker automatically credited with their Letters of Allocation on | Monday, 7 March |
| Holders of certificated shares will have their Letters of Allocation credited to an electronic register at Computershare on | Monday, 7 March |
| Rights Offer opens at 09h00 on | Monday, 7 March |
| Circular posted to qualifying dematerialised Shareholders who have requested to receive such circulars | Tuesday, 8 March |
| Last day to trade in Letters of Allocation in order to settle trades by the letter of allocation Record Date for the Rights Offer and participate in the Rights Offer at the close of business on | Friday, 11 March |
| Last day for forms of instruction to be lodged with Computershare by qualifying certificated Shareholders wishing to sell all or part of their rights offer entitlement by 12h00 on | Friday, 11 March |
| Listing and trading of rights offer shares commences on the JSE at 09h00 on | Monday, 14 March |
| Last day for payments to be made and forms of instruction to be lodged with Computershare by qualifying certificated Shareholders wishing to subscribe for or renounce all or part of their Rights Offer entitlement by 12h00 on (see note 2) | Friday, 18 March |

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| Rights Offer closes at 12h00 and payment to be made on | Friday, 18 March |
| Record date with respect to Letters of Allocation | Friday, 18 March |
| Results of Rights Offer announced on SENS on | Tuesday, 22 March |
| CSDP/broker accounts credited with Rights Offer Shares and debited with the subscription price in respect of holders of dematerialised shares on | Tuesday, 22 March |
| Rights Offer Share certificates in terms of the Rights Offer posted to qualifying certificated shareholders (or their renounees ¹) on or about | Tuesday, 22 March |

Notes:

1. All times referred to in this announcement are local times in South Africa.
2. Holders of dematerialised shares are required to notify their CSDP or broker of the action they wish to take in respect of the Rights Offer in the manner and by the time stipulated in the custody agreement entered into by such parties.
3. CSDPs effect payment in respect of dematerialised shareholders (or their renounees) on a delivery versus payment basis.
4. To the extent that the rights are accepted, qualifying dematerialised shareholders (or their renounees) will have their accounts at their CSDP automatically credited with their rights and qualifying certificated shareholders (or their renounees) will have their rights credited to an account at Computershare.

5. Conditions precedent

The implementation of the Rights Offer remains subject to the fulfilment of the following conditions:

- i. approval being obtained from the JSE Limited ("JSE") for the Rights Offer circular;
- ii. approval being obtained from the JSE for the application for listing of the Letters of Allocation and the application for listing of the Rights Offer Shares; and
- iii. the conclusion of the five day period for interested parties to appeal the Takeover Regulations Panel's ruling on the waiver of the requirement to make a mandatory offer.

6. Finalisation announcement

It is anticipated that the finalisation announcement for the Rights Offer, including the final terms, will be released on SENS on Tuesday, 23 February 2016 and in the South African press on Wednesday, 24 February 2016.

Johannesburg

19 February 2016

Corporate advisor and transaction sponsor



Questco (Proprietary) Limited