



The Trusted Home of Agriculture
Die Betroubare Tuiste van Landbou

BKB Limited

(Incorporated in the Republic of South Africa)
(Registration number 1998/012435/06)
("BKB" or "the Company")

UPDATE ANNOUNCEMENT

1. BKB shareholders are referred to the BKB announcement on 30 November 2016 ("ARC Transaction Announcement") in which shareholders were informed that a subscription agreement was concluded with African Rainbow Capital Proprietary Limited ("ARC") in terms of which ARC subscribed for approximately 20% of the issued share capital of BKB ("ARC Subscription Agreement").
2. BKB shareholders are advised that BKB has now been informed by ARC that ARC may enter into an option agreement with another BKB shareholder relating to the sale of all its shares in BKB at a price of R22 per share.
3. It should be noted that in terms of the ARC Subscription Agreement, ARC is prohibited from disposing of its shares in BKB for a period of 18 months from 30 November 2016, and BKB holds a right of first refusal in respect of any shares in BKB which ARC wishes to dispose of for a further 18 months.
4. The BKB board is currently assessing all the options and possibilities regarding the abovementioned matters.
5. BKB shareholders are further advised that for the past few months BKB was involved in confidential discussions with another agricultural concern on a consensual basis relating to a possible merger between their businesses. These discussions have now terminated.

J Oosthuizen

Company Secretary

Port Elizabeth

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Attorneys to BKB Limited

Cliffe Dekker Hofmeyr Incorporated

**Corporate and transaction adviser
to BKB Limited**

Pallidus
CAPITAL

**Attorneys to
BKB Limited**

CDH
CLIFFE DEKKER HOFMEYR