



SPIRIT CAPITAL (PTY) LIMITED

(REGISTRATION NUMBER: 1998/019892/07)
"SPIRIT CAPITAL"



CEREBOS LIMITED

(REGISTRATION NUMBER: 1945/018614/06)
"CEREBOS"

ACQUISITION BY SPIRIT CAPITAL OF A MINORITY SHAREHOLDING IN CEREBOS

1. INTRODUCTION

The directors of Spirit Capital are pleased to announce the acquisition of an effective 11.73% interest in Cerebos. Spirit Capital has acquired an additional 20% interest in Khumo Bathong Strategic Investments No 2 (Pty) Limited ("KBSI"), which increases its shareholding in KBSI to 32%. KBSI has as its sole asset an interest of 36.67% in Cerebos.

2. NATURE OF BUSINESS

The primary business of Cerebos is the production and supply of pure vacuum dried and solar salt for the pharmaceutical, industrial and food manufacturing industries. It has user rights to the Cerebos and Saxa trademarks and owns the Buffalo, Salnova and Salago brands amongst others. Cerebos is recognised as South Africa's leading premium grade salt produce.

3. RATIONALE FOR TRANSACTION

Spirit Capital's initial interest in Cerebos was acquired in 2006 through the introduction of fresh equity into Cerebos, via KBSI. The equity funds were utilised in the expansion of Cerebos' operations – specifically the construction of a pure vacuum dried plant in the Coega IDZ. Spirit Capital wished to increase its effective interest in Cerebos and has acquired an additional 20% interest from existing shareholders in KBSI.

4. TERMS OF THE TRANSACTION

Spirit Capital acquired the additional interest in Cerebos by means of a share swap with the vendors of the KBSI shares. The transaction value remains confidential.

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