

VUNANI LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1997/020641/06)
JSE code: VUN
ISIN: ZAE000163382
("Vunani" or "the company")

ISSUE OF SHARES FOR CASH

1. Introduction

The board of directors of Vunani is pleased to advise shareholders that Mion Holdings Proprietary Limited ("Mion") has subscribed for 6 250 000 ordinary shares in Vunani Limited at a cash price of R1.60 per share amounting to 5.45% of the company's current shares in issue.

This issue of shares for cash is made in accordance with the general authority granted to directors to allot and issue ordinary shares, as approved by shareholders at the annual general meeting of the company held on 18 July 2014, (the "General Issue of Shares for Cash")

2. Details of the general issue of shares for cash

The general issue of shares for cash represents 5.45% of current shares in issue. The cash price of R1.60 per share was agreed between the parties on 14th October 2014 and there is no discount to the 30-day VWAP price as at the 13th October 2014.

3. Rationale for the general issue of shares for cash

Mion is a BEE company that was established in 2003. Mion is an active investment holding company with investments across various sectors including:

- Marine & shipping
- Engineering & Manufacturing
- Gaming
- Energy
- Industrials (Phosphate and Gold mining)

Mion has a long history of working with Vunani and understands and shares the company's vision. The general issue of shares for cash will result in a closer alignment of Vunani and Mion's interests, which will enhance the development and growth of Vunani.

The general issue of shares for cash is expected to improve Vunani's BEE shareholding as well as the spread of shareholders to include long-term strategic investors.

4. Intended use of funds from the general issue of shares for cash

Vunani undertakes investment activities as part of its day-to-day activities. The cash received from Mion for the general issue of shares will form part of Vunani's cash resources that have been earmarked to fund future investment opportunities.

27 October 2014
Sandton

Designated Adviser
Grindrod Bank Limited