

WESCOAL HOLDINGS LIMITED

Incorporated in the Republic of South Africa

(Registration number 2005/006913/06)

Share code: WSL

ISIN: ZAE000069639

("Wescoal")

KEATON ENERGY HOLDINGS LIMITED

Incorporated in the Republic of South Africa

(Registration number 2006/011090/06)

Share code: KEH

ISIN: ZAE000117420

("Keaton Energy")

JOINT ANNOUNCEMENT – COMPETITION COMMISSION APPROVAL RELATING TO THE OFFER BY WESCOAL TO ACQUIRE ALL OF THE ISSUED ORDINARY SHARE CAPITAL OF KEATON ENERGY ("TRANSACTION")

Wescoal and Keaton Energy shareholders are referred to the joint firm intention offer announcement ("**Firm Intention Announcement**") published by Wescoal and Keaton Energy on 2 February 2017. Unless defined in this announcement or if the context dictates otherwise, capitalised terms used in this announcement have the same meanings as given in the Firm Intention Announcement.

1. Competition Commission approval

Shareholders are referred to the joint announcement published by Wescoal and Keaton Energy on 2 June 2017 with respect to, *inter alia*, the results of the meetings and an update on the fulfilment of the Scheme Conditions.

Shareholders are notified that unconditional approval by the Competition Commission for the Transaction was received on 6 June 2017.

2. Salient dates and times

As soon as Wescoal and Keaton Energy have more certainty around the date of fulfilment of the remaining Scheme Conditions, they will release a joint announcement on SENS detailing updated salient dates and times pertaining to the implementation of the Transaction.

3. Keaton Energy responsibility statement

The Keaton Energy Independent Board accepts responsibility for the information contained in this announcement to the extent that it relates to Keaton Energy. To the best of their knowledge and belief, the information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of the information.

4. Wescoal responsibility statement

The Wescoal Board accepts responsibility for the information contained in this announcement to the extent that it relates to Wescoal. To the best of their knowledge and belief, the information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of the information.

Johannesburg

12 June 2017

Investment Bank, Corporate Advisor and Sponsor to Wescoal

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Legal Advisor to Wescoal

Edward Nathan Sonnenbergs Inc.

Corporate Advisor to Keaton Energy

Taurum Proprietary Limited

Legal Advisor to Keaton Energy

Werksmans Inc.

Sponsor to Keaton Energy

Investec Bank Limited