

Keaton Energy Holdings Limited (Incorporated in the Republic of South Africa)  
(Registration number 2006/011090/06)  
JSE code: KEH  
ISIN code: ZAE000117420  
(‘Keaton’ or the ‘Company’)

**DISPOSAL OF LEEUW MINING AND EXPLORATION PROPRIETARY LIMITED ("LME") AND AMALAHLE EXPLORATION PROPRIETARY LIMITED ("AMALAHLE") BY KEATON ENERGY HOLDINGS LIMITED ("KEH") TO BAYETE ENERGY RESOURCES PROPRIETARY LIMITED ("BER")**

Shareholders are referred to the announcement released on 15 February 2016 regarding the disposal by KEH of LME and Amalahle to BER ("Transaction").

Shareholders are hereby notified that all suspensive conditions to the Transaction have been fulfilled. Accordingly, the Transaction became unconditional and was implemented with an effective date of 8 June 2017.

Johannesburg  
9 June 2017

Sponsor  
Investec Bank Limited