

Brimstone Investment Corporation Limited
(Incorporated in the Republic of South Africa)
Registration number 1995/010442/06
Share Code: BRT ISIN: ZAE000015277
Share Code: BRN ISIN: ZAE000015285
("Brimstone" or the "Company")

ANNOUNCEMENT REGARDING THE ACQUISITION OF OCEANA SHARES

1. Introduction and details

Brimstone shareholders are advised that the Company has entered into a conditional but binding offer (the "Offer") to acquire 8 000 000 Oceana Group Limited ("Oceana") ordinary shares ("Oceana Shares") from Tiger Brands Limited ("Tiger Brands") (the "Transaction").

The Transaction represents approximately 5.9% of the total Oceana shares currently in issue and will increase Brimstone's shareholding in Oceana from 16.98% to 22.88%.

The effective date of the Transaction will be the first business day after the date of fulfilment of the last condition precedent as set out in paragraph 5 below, which is anticipated to be by no later than 17h00 on Thursday, 28 February 2019 (the "Effective Date"). The Oceana Shares will be transferred to Brimstone against payment of the purchase consideration set out in paragraph 4 below.

Brimstone shareholders are also referred to the announcement made by Tiger Brands today in respect of the Transaction.

2. Overview of Oceana

Oceana's core business is the catching, processing, marketing and distribution of canned fish, fishmeal, fish oil, lobster, horse mackerel, squid and hake. The business includes mid-water fishing (horse mackerel), deep-sea trawling (hake), and inshore fishing for pelagic fish (anchovy, Gulf Menhaden, redeye herring and pilchard). In addition, Oceana provides refrigerated warehouse facilities and logistical support services.

Further information on Oceana can be accessed on www.oceana.co.za.

3. Rationale for the Transaction

Brimstone has been invested in Oceana for 23 years and continues to believe in the future of Oceana and Brimstone considers it important to further strengthen Oceana's B-BBEE credentials.

4. Purchase consideration

The consideration payable for the Transaction (the "Purchase Consideration") will be R581.44 million, which is based on R72.67958 per Oceana share, being the 10-day volume weighted average price of an Oceana Share up to and including 23 January 2019.

The Purchase Consideration will be settled by Brimstone from available facilities and additional funding to the extent required.

5. Conditions precedent

The Transaction is subject to the fulfilment of the following conditions precedent by the Effective Date:

- 5.1 the board of directors and investment committee of Brimstone authorising the Transaction and all agreements contemplated in regard to the Transaction;
- 5.2 Brimstone obtaining the requisite approval from its shareholders, the JSE and/or any other regulatory authority for the implementation of the Transaction, if and only so required; and
- 5.3 Brimstone informing Tiger Brands in writing that it has secured such equity funding and/or debt funding as it may require in order to fund the payment by Brimstone of the Purchase Consideration.

6. Net assets and attributable profits

The net asset value of the Transaction is R272.9 million and the share of net profit after tax attributable to the Transaction is R52.1 million, based on Oceana's audited results for the year ended 30 September 2018, which were prepared in accordance with International Financial Reporting Standards.

7. Categorisation of the Transaction

The Transaction is categorised as a Category 2 transaction for Brimstone in terms of the JSE Listings Requirements and accordingly no shareholder approval is required.

8. Cautionary announcement

Shareholders are referred to the Brimstone cautionary announcement released on SENS on 21 January 2019 and are advised that the cautionary announcement is unrelated to the Transaction disclosed in this announcement and therefore remains in place.

24 January 2019
Cape Town

Investment bank, corporate advisor and sponsor
Nedbank Corporate and Investment Banking

Legal advisor
Cliffe Dekker Hofmeyr