

Tongaat Hulett Limited
(Incorporated in the Republic of South Africa)
Registration number 1892/000610/06
JSE Share Code: TON
ISIN: ZAE000096541
("Tongaat" or the "Company")

Further announcement, prior to general meeting, regarding the proposed disposal of the Company's starch business, and further cautionary announcement

Shareholders ("Tongaat Shareholders") are referred to the:

- firm intention announcement released by Tongaat on 28 February 2020 wherein the Company advised Tongaat Shareholders that it had entered into an agreement ("Starch Disposal Agreement") to dispose of its starch business ("Starch Business") as a going concern to KLL Group Proprietary Limited. ("KLL Group"), a wholly-owned subsidiary of Barloworld Limited ("Disposal"); and
- cautionary announcement released by Tongaat on 12 May 2020 in which it advised that KLL Group has notified the Company that KLL Group has formed the view that the impact of, *inter alia*, the COVID-19 global pandemic is reasonably likely to cause the EBITDA of the Starch Business for the financial year ending 31 March 2021 to be 82.5% or less of the EBITDA of the Starch Business for the financial year ended 31 March 2020, and that, therefore, KLL Group has formed the view that a material adverse change, as defined in the Starch Disposal Agreement ("MAC") has occurred.

As was stated in the 12 May 2020 announcement, the Starch Disposal Agreement is still of force and effect, and the Company remains committed to the steps currently underway aimed at (i) fulfilment of the conditions precedent (including the processes of seeking regulatory and shareholder approval for the Disposal) and (ii) pursuant thereto, implementation of the Disposal. Substantial progress has been made in this regard since the 12 May 2020 announcement.

The Company remains firmly of the view that a MAC has not occurred. The Company is engaging with KLL Group in order to move matters forward and is committed to the process of resolving the dispute. To this end, the matter is being referred for determination by an independent third party. As of the date of this announcement, the Company and KLL Group have been unable to reach agreement on the identity of the independent third party. The process to determine the identity of the independent third party is ongoing.

As Tongaat Shareholders are aware, a general meeting will be held tomorrow, 5 June 2020 at which Tongaat Shareholders will be asked to consider and, if deemed fit, to adopt, with or without modification, the resolutions required to implement the Disposal.

Further cautionary announcement

Having regard to the MAC dispute referred to in this announcement, shareholders are advised to continue to exercise caution when dealing in the Company's securities.

Responsibility statement

The board of directors of the Company, individually and collectively, accepts full responsibility for the accuracy of the information contained in this announcement. In addition, the board of directors of the Company certifies that to the best of its knowledge and belief, the information contained in this announcement solely pertaining to the Company is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein, and that all reasonable enquiries to ascertain such information has been made.

Tongaat

4 June 2020

Financial Adviser and Transaction Sponsor to Tongaat

PricewaterhouseCoopers Corporate Finance Proprietary Limited

Legal Adviser to Tongaat

Bowmans