

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of this document should be read. You should be aware that an investment in the Company involves a high degree of risk and prospective investors should carefully consider the section entitled "Risk Factors" set out in Part II of this document.

If you have sold or transferred all of your shares prior to 8.00a.m. on 18 June 2015 (the date upon which the Existing Ordinary Shares were marked 'ex' the entitlement to the open offer by the London Stock Exchange), please forward this document, together with the accompanying documents, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other party through whom the sale or transfer was effected for transmission to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the UK. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares on or before the Record Date, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

This document does not comprise a prospectus in accordance with the Prospectus Rules and has not been drawn up in accordance with the Prospectus Rules. This document has not been approved by the Financial Conduct Authority or by any other authority in any jurisdiction. The Directors, whose names appear on page 5, accept responsibility both individually and collectively for all the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Application will be made to both AIM and AltX for the Open Offer Shares arising from the Open Offer to be admitted to trading on AIM and AltX. It is expected that Admission will become effective and that trading in the Open Offer Shares will commence on AIM and AltX on 7 July 2015. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. The AltX is the JSE's board for small and medium-sized high growth companies. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange plc on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. To be eligible for listing on AltX, a company must appoint and retain the services of a registered designated advisor. The London Stock Exchange plc has not itself examined or approved the contents of this document.**

The underlying value of any shareholding in the Company can fluctuate and there is a risk that you may lose part or all of your investment; it may also be difficult to establish a price or value for any shareholding in the Company given the absence of any trading on any stock exchange.

It is the responsibility of any person outside the UK wishing to subscribe for the Open Offer Shares to satisfy themselves as to the full observance of the laws of any relevant territory outside the UK in connection with such purchase, including obtaining any required governmental or other consents or observing any other applicable formalities. This document does not constitute an offer, or the solicitation of an offer to subscribe for any of the Open Offer Shares or any other Shares, to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction. The Open Offer is not being made, directly or indirectly, in or into the United States of America, Canada, Australia, New Zealand, the Republic of Ireland, the Republic of South Africa or Japan or their respective territories and this document should not be distributed, forwarded or transmitted in or into such territories.

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## **DIAMONDCORP PLC**

*(Incorporated in England and Wales under number 05400982)  
(South African company registration number 2007/031444/10)*

### **Open Offer of up to 20,894,263 new Ordinary Shares at 10 pence per share**

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Panmure Gordon (UK) Limited ("Panmure") which is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is a member of the London Stock Exchange plc, is the Company's nominated adviser and broker for the purposes of the AIM Rules in connection with the Open Offer and, as such, its responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person or entity in respect of his reliance on any part of this document. Panmure is acting exclusively for the Company and will not be responsible to any other person for providing the protections afforded to its customers nor for providing advice in relation to the contents of this document or any other matter referred to herein.

Panmure has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by Panmure as to any of the contents or the completeness of this document.

The Open Offer closes at 11:00 a.m. on 3 July 2015. If you are an Eligible Shareholder and wish to apply for Open Offer Shares under the Open Offer you should follow the procedure set out in Part III of this document and, if you are an Eligible Non-CREST Shareholder, complete and return the accompanying Application Form together with your appropriate remittance. Eligible CREST Shareholders will not receive an Application Form, but will receive instead a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlements which will be enabled for settlement on 18 June 2015. If you do not wish to participate in the Open Offer then you should not return your Application Form or send a USE instruction through CREST. Applications under the Open Offer may only be made by the Eligible Shareholders originally entitled thereto or by persons becoming so entitled, by virtue of a *bona fide* market claim arising out of the sale or transfer of Ordinary Shares prior to the date on which the Ordinary Shares are marked 'ex' the entitlement by the London Stock Exchange.

If the Basic Entitlements are for any reason not enabled by 3.00 p.m. or such later time as the Company may decide on 18 June 2015, an Application Form will be sent to each Eligible CREST Shareholder in substitution for the Basic Entitlements credited to his stock account in CREST. Eligible CREST Shareholders who are CREST sponsored members should refer to their CREST Sponsors regarding the action to be taken in connection with this circular and the Open Offer. Applications for Excess Entitlements pursuant to the Excess Application Facility may be made by the Eligible Shareholder provided that their Basic Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this circular.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

The Open Offer Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared made or paid on the Ordinary Share capital of the Company.

This document is being sent to all Shareholders, but in relation to those Shareholders who are not Eligible Shareholders (which means any Shareholders resident outside of the United Kingdom) it is being sent to them for information purposes only.

**This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy shares, to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Open Offer Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or under the securities legislation of any state of the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no document in relation to the Open Offer has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission; and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Open Offer. Subject to very limited exceptions, the Open Offer Shares may not, directly or indirectly, be offered or sold within any territory other than the United Kingdom or offered or sold to a person within any territory other than the United Kingdom. Any failure to comply with these restrictions may constitute a violation of the securities law of any jurisdiction. Persons (including, without limitation, nominees and trustees) receiving this document and/or an Application Form should not, in connection with the Open Offer, distribute or send this document or Application Form into any jurisdiction when to do so would, or might contravene local securities laws or regulations or be contrary to the terms and conditions of the Open Offer.**

Copies of this document will be available free of charge during normal business hours only on weekdays (excluding public holidays) from the date hereof until the Open Offer closes from City Group plc of 6 Middle Street, London, EC1A 7JA and available for a period of twelve months from the date of this circular on the Company's website [www.diamondcorp.plc.uk](http://www.diamondcorp.plc.uk) free of charge in accordance with the requirements of Rule 26 of the AIM Rules for Companies.

## **FORWARD-LOOKING STATEMENTS**

This document contains "forward-looking statements" which includes all statements other than statements of historical fact including, without limitation those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "might", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or

undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law, the AIM Rules or the JSE.

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## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Euan Worthington ( <i>Chairman</i> ) Paul Loudon ( <i>Chief Executive Officer</i> ) Nicholas Allen ( <i>Non-Executive Director</i> ) Jonathan Willis-Richards ( <i>Non-Executive Director</i> ) Hulme Scholes ( <i>Non-Executive Director</i> ) Michael Toxvaerd ( <i>Non-Executive Director</i> )
<b>Company Secretary and registered office address</b>	City Group plc 6 Middle Street London EC1A 7JA United Kingdom
<b>Website</b>	<a href="http://www.diamondcorp.plc.uk">http://www.diamondcorp.plc.uk</a>
<b>AIM Nominated Adviser and Broker</b>	Panmure Gordon (UK) Limited One New Change London EC4M 9AF United Kingdom
<b>JSE Adviser and Sponsor</b>	Sasfin Capital 29 Scott Street Waverley, 2090 South Africa
<b>Solicitors to the Company as to English Law</b>	Gowlings (UK) LLP 15th Floor 125 Old Broad Street London EC2N 1AR United Kingdom
<b>Solicitors to the Company as to South African Law</b>	Malan Scholes Inc 85 Central Street Houghton, 2193 South Africa
<b>Solicitors to Panmure Gordon (UK) Limited</b>	Field Fisher Waterhouse LLP Riverbank House 2 Swan Lane London EC4R 3TT United Kingdom
<b>Auditors</b>	PricewaterhouseCoopers LLP PWC Building Cnr of Welgevonden Avenue and Memorial Road Kimberley, 8300 South Africa
<b>Registrar and Receiving Agent</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE United Kingdom

## OPEN OFFER STATISTICS

Issue Price	10 pence
Number of Existing Ordinary Shares in issue on the Record Date	355,202,478
Open Offer Basic Entitlement	1 Open Offer Share for every 17 Existing Ordinary Shares
Number of Open Offer Shares*	Up to 20,894,263
Enlarged Ordinary Share Capital following completion of the Open Offer*	376,096,777
Percentage of the Enlarged Ordinary Share Capital represented by the Open Offer Shares*	5.56%
Gross Proceeds of the Open Offer*	Up to £2.1 million
Estimated net cash proceeds of the Open Offer*	Up to £2.0 million

\* Assuming take-up in full of the Open Offer by Eligible Shareholders.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlement under the Open Offer	5.00 p.m. on 16 June 2015
Announcement of the Open Offer	17 June 2015
Posting of this circular and, to Eligible Non-CREST Shareholders only, the Application Form	17 June 2015
Existing Ordinary Shares marked 'ex' by the London Stock Exchange	8.00 a.m. on 18 June 2015
Basic Entitlements and Excess Entitlements credited to stock accounts in CREST for Eligible Shareholders	18 June 2015
Latest recommended time and date for requested withdrawal of Basic Entitlements and Excess Entitlements from CREST	4.30 p.m. on 30 June 2015
Latest time and date for depositing Basic Entitlements and Excess Entitlements into CREST	3.00 p.m. on 1 July 2015
Latest time for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 1 July 2015
<b>Latest time and date for receipt of Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)</b>	<b>11.00a.m. on 3 July 2015</b>
Announcement of the results of the Open Offer	6 July 2015
Admission and dealings in the Open Offer Shares	8.00 a.m. on 7 July 2015
Expected date for CREST accounts to be credited in relation to the Open Offer Shares	7 July 2015
Despatch of definitive share certificates (where applicable) in relation to the Open Offer Shares	on or around 14 July 2015

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Notes:

- (1) If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.
- (2) All times are London times and each of the times and dates are subject to change.

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“**Admission**” the admission of the Open Offer Shares to trading on both AIM and AltX becoming effective in accordance with the AIM Rules and AltX

“**AIM**” the market of that name operated by the London Stock Exchange

“**AIM Rules**” the AIM Rules for Companies, published by the London Stock Exchange from time to time

“**AIM Rules for Nominated Advisers**” the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange

“**AltX**” the alternative exchange of the JSE

“**Applicant**” an Eligible Shareholder or a person entitled by virtue of a *bona fide* market claim who lodges an Application Form under the Open Offer

“**Application Form**” the application form relating to the Open Offer and enclosed with this document for use by Eligible Non-CREST Shareholders

“**Basic Entitlement(s)**” the entitlement to subscribe for Open Offer Shares, allocated to an Eligible Shareholder pursuant to the Open Offer as described in Part III of this document

“**Board**” the board of directors of the Company

“**Business Day**” any day (excluding Saturdays, Sundays and public holidays) upon which the banks in the City of London are open for business

“**Company**” or “**DiamondCorp**” DiamondCorp plc, a public limited company incorporated on 3rd February 2005 in England and Wales and operating under the Companies Act 2006, whose registered office is at 6 Middle Street, London, EC1A 7JA, UK

“**CREST**” the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3875) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear, in accordance with the same regulations

“**CREST Sponsor(s)**” a CREST participant admitted to CREST as a CREST sponsor

“**CREST sponsored member(s)**” a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)

“**Directors**” the directors of the Company, whose names are set out on page 5 of this document

“**Eligible CREST Shareholder(s)**” Eligible Shareholders whose Existing Ordinary Shares are held in uncertificated form

“**Eligible Non-CREST Shareholder(s)**” Eligible Shareholders whose Existing Ordinary Shares are held in certificated form

“**Eligible Shareholder(s)**” Shareholders on the Record Date that are not Non-Eligible Shareholders.

“**Enlarged Ordinary Share Capital**” all of the Ordinary Shares in issue on Admission

“**Euroclear**” Euroclear UK & Ireland Limited, the operator of CREST

“**Excess Application Facility**” the arrangement pursuant to which Eligible Shareholders may apply for Open Offer Shares in excess of their Basic Entitlement

“**Excess Entitlement(s)**” Open Offer Shares in excess of the Basic Entitlement, but not in excess of the total number of Open Offer Shares, allocated to an Eligible Shareholder pursuant to the Open Offer as described in Part III of this document

“**Existing Ordinary Shares**” the existing Ordinary Shares in issue at the date of this document

“**FCA**” the Financial Conduct Authority

“**FMA**” the Financial Markets Act, 19 of 2012 of South Africa

“**FSMA**” the Financial Services and Markets Act 2000 (as amended)

“**Group**” the Company, together with its subsidiary undertakings

“**HMRC**” Her Majesty’s Revenue & Customs

“**Issue Price**” 10 pence per Open Offer Share



“**JSE**” the JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated with limited liability under the company laws of South Africa, licensed as an exchange under the FMA;

“**Lace Mine**” the Lace Diamond Mine in the Free State of South Africa, to which DiamondCorp has operational control and a 74 per cent. equity interest.

“**London Stock Exchange**” the London Stock Exchange plc

“**Non Eligible Shareholders**” Shareholders who are not entered on the UK Register.

“**Open Offer**” the invitation to Eligible Shareholders to apply to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in Part III of this circular and, where relevant, in the Application Form

“**Open Offer Shares**” up to 20,894,263 Ordinary Shares to be issued pursuant to the Open Offer

“**Ordinary Shares**” ordinary shares of 0.1 pence each in the capital of the Company

“**Overseas Shareholders**” holders of Existing Ordinary Shares who are not resident in the United Kingdom

“**Panmure**” Panmure Gordon (UK) Limited

“**Placing**” the placing undertaken by the Company to raise £3.18 million, announced to the market on 05 June 2015

“**Placing Price**” the price per new Ordinary Share subscribed for by investors in the Placing, being 10 pence each.

“**Receiving Agent**” and “**Registrars**” Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, UK

“**Record Date**” 5.00 p.m. GMT on 16 June 2015

“**Restricted Jurisdiction(s)**” any jurisdiction except the United Kingdom, including in particular the United States, Canada, Japan, Australia, the Republic of South Africa or the Republic of Ireland, and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulations

“**SA Register**” the branch register of Shareholders in South Africa

“**Shareholders**” holders of Ordinary Shares

“**UK Listing Authority**” the FCA acting in its capacity as the competent authority for the purposes of FSMA

“**UK Register**” the register of Shareholders in the United Kingdom

“**United States**” or “**US**” means the United States of America, its territories or possessions, any state of the United States and the District of Columbia

“**US Securities Act**” the United States Securities Act of 1933 (as amended)

“**US Person**” a “US person” as defined in Regulation S promulgated under the US Securities Act

“**USE**” an Unmatched Stock Event

**PART I**  
**LETTER FROM THE CHAIRMAN**  
**DIAMONDCORP PLC**

*(Incorporated and registered in England and Wales with registered number 05400982)  
(South African company registration number 2007/031444/10)*

**Directors:**

Euan Worthington (*Chairman*)  
Paul Loudon (*Chief Executive Officer*)  
Nicholas Allen (*Non-Executive Director*)  
Jonathan Willis-Richards (*Non-Executive Director*)  
Hulme Scholes (*Non-Executive Director*)  
Michael Toxvaerd (*Non-Executive Director*)

**Registered Office:**

6 Middle Street  
London  
EC1A 7JA  
UK

17 June 2015

*To holders of Ordinary Shares of 0.1 pence each in the capital of the Company (“Ordinary Shares”) and, for information purposes only, to the holders of options and warrants to subscribe for Ordinary Shares*

Dear Shareholder

**Open Offer**

**1. Introduction**

Further to the Company’s announcement on 5 June 2015 in respect of the Placing, the Board recognises and is grateful for the continued support received from Shareholders and has therefore decided to offer all Eligible Shareholders the opportunity to participate in a further issue of new equity in the Company by launching the Open Offer to issue up to 20,894,263 further new Ordinary Shares to Eligible Shareholders at the Issue Price (being equivalent to the Placing Price). Eligible Shareholders may subscribe for Open Offer Shares on the basis of 1 Open Offer Share for every 17 Existing Ordinary Shares held on the Record Date. Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares through the Excess Application Facility.

Assuming full take-up under the Open Offer, the issue of the Open Offer Shares will raise further gross proceeds of up to £2.1 million for the Company.

The Open Offer Shares to be issued pursuant to the Open Offer are to be admitted to trading on both AIM and AltX, which is expected to take place at 8.00 a.m. on 7 July 2015. The net proceeds of the Open Offer (after commission and expenses) will be used towards enhancing the economics of the Lace Mine and for additional working capital purposes.

Further details on the background to and the reasons for the Open Offer are given in section 2 below.

The purpose of this letter is to explain to Shareholders the background to, and reasons for, the Open Offer.

**2. Background to and reasons for the Open Offer**

The Open Offer is being made so as to enable all Eligible Shareholders to subscribe for new Ordinary Shares at the Issue Price on a *pro rata* basis to their current holdings and with the option for increasing their allocation pursuant to an excess application facility.

In light of the Placing and the potential value implications for the Lace mine resource resulting from the recently announced discovery of a Type Ila diamond, the Board concluded it is not in the Company’s best interests to proceed with the royalty financing facility from Acrux Resources (Pty) Limited, of which the signing of a term sheet was announced on 17 March 2015, and consequently terminated the agreement.

The net proceeds of the Placing are to be used to fund the working capital shortfall disclosed in the Company's audited financial results for the year ended 31 December 2014, as announced on 26 May 2015, being £1.8 million in the Company's base case to £2.8 million in the sensitised case. Consequently, the Directors consider that as a result of the Placing, the Company now has sufficient funds to ramp up to commercial production, which is anticipated in the second half of 2015, leading to the commencement of positive cashflow anticipated by the end of 2015.

The Board recognises and is grateful for the continued support received from Shareholders and has therefore decided to provide an opportunity for all existing Eligible Shareholders to participate in a further issue of new Ordinary Shares also at the Placing Price. The Open Offer is not being underwritten but, assuming take-up in full by Eligible Shareholders, the Open Offer shall raise net proceeds of approximately £2.0 million. Such proceeds shall be used towards enhancing the economics of the Lace Mine primarily through the following discretionary capital expenditure:

- (i) the purchase of two dump trucks to expand the mine's existing fleet, thereby increasing operational availability;
- (ii) a deposit towards the purchase of a high-volume optical and x-ray waste sorter which will reduce the volume of internal waste rock from kimberlite ore prior to processing. Such equipment has the potential to significantly reduce plant water and electricity consumption and increase processing rates;

and for additional working capital purposes.

The Open Offer has been structured so that it is not made to Non-Eligible Shareholders or to Shareholders resident in any Restricted Jurisdiction. Subject to certain exceptions, Restricted Jurisdictions specifically includes the Republic of South Africa and Non-Eligible Shareholders include all Shareholders registered on the SA Register, as further discussed in paragraph 3.1 below.

### **3. Details of the Open Offer**

#### **3.1 Structure**

The Directors have considered the best way to structure the Open Offer, having regard to, *inter alia*, the importance of pre-emption rights to all Shareholders, the extent to which there are Overseas Shareholders, the regulatory requirements applicable to companies listed on AIM and on AltX and associated timetabling, cost implications and market risks. After considering these factors, the Directors have concluded that the most suitable structure for the Open Offer, for both the Company and its Shareholders as a whole, is that the Open Offer be made only to Eligible Shareholders who are not resident in any Restricted Jurisdiction (which includes specifically, the Republic of South Africa). Non-Eligible Shareholders are Shareholders who are not registered on the UK Register (therefore excluding specifically all Shareholders on the SA Register).

The Open Offer provides an opportunity for all Eligible Shareholders to acquire Open Offer Shares *pro rata* to their current holdings of Existing Ordinary Shares with the option for subscribing for more shares pursuant to the Excess Application Facility. The Issue Price for the Open Offer is the same as the Placing Price in the Placing. Once subscriptions by Eligible Shareholders under their respective Basic Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications in full or in part and no assurance can be given that applications by Eligible Shareholders under the Excess Application Facility will be met in full, in part or at all.

#### **3.2 Principal Terms of the Open Offer**

Subject to the fulfilment of the conditions set out below and in Part III of this circular, Eligible Shareholders are being given the opportunity to subscribe for the Open Offer Shares at a price of 10 pence per Open Offer Share, *pro rata* to their holdings of Existing Ordinary Shares on the Record Date on the basis of:

##### **1 Open Offer Share for every 17 Existing Ordinary Shares**

Eligible Shareholders are also being given the opportunity, provided that they take up their Basic Entitlement in full, to apply for Excess Entitlements through the Excess Application Facility.

Assuming full take-up under the Open Offer, the issue of the Open Offer Shares will raise gross proceeds of approximately £2.1 million for the Company. The Open Offer Shares will, upon issue, rank *pari passu* with the Existing Ordinary Shares.

Fractions of Open Offer Shares will not be allotted; instead, each Eligible Shareholder's entitlement under the Open Offer will be rounded down to the nearest whole number. The fractional entitlements may be aggregated and sold in the market, with the proceeds being retained for the benefit of the Company. Eligible Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating the Basic Entitlements.

To enable the Company to benefit from applicable exemptions to the requirement under the Prospectus Rules to prepare a prospectus in connection with the Open Offer, a maximum of 20,894,263 Open Offer Shares, representing a total consideration of £2.1 million will be made available to Eligible Shareholders under the Open Offer, which will be conducted on the basis of 1 Open Offer Share for every 17 Existing Ordinary Shares. The Open Offer is restricted to Eligible Shareholders in order to enable the Company to benefit from exemptions from securities law requirements in certain jurisdictions outside the United Kingdom.

It should be noted that the Open Offer is not a rights issue. Accordingly, the Application Form is not a document of title and cannot be traded. Unlike a rights issue, any Open Offer Shares not applied for under the Open Offer will not be sold in the market or placed for the benefit of Eligible Shareholders who do not take up their rights to subscribe under the Open Offer.

### **3.3 Excess Application Facility**

The Excess Application Facility will enable Eligible Shareholders, provided that they take up their Basic Entitlement in full, to apply for Excess Entitlements. Eligible Non-CREST Shareholders who wish to apply to acquire more than their Basic Entitlement should complete the relevant sections on the Application Form. Eligible CREST Shareholders will have Excess Entitlements credited to their stock account in CREST and should refer to paragraph 4(ii)(j) of Part III of this circular for information on how to apply for Excess Entitlement pursuant to the Excess Application Facility. Applications for Excess Entitlements will be satisfied only and to the extent that corresponding applications by other Eligible Shareholders are not made or are made for less than their Basic Entitlements.

Once subscriptions by Eligible Shareholders under their respective Basic Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications in full or in part and no assurance can be given that applications by Eligible Shareholders under the Excess Application Facility will be met in full, in part or at all. Application will be made for the Basic Entitlements and Excess Entitlements in respect of Eligible CREST Shareholders to be admitted to CREST. It is expected that such Basic Entitlements and Excess Entitlements will be admitted to CREST by 3.00 p.m. on 18 June 2015. Applications through the means of the CREST system may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. Eligible Non-CREST Shareholders will receive an Application Form with this circular which sets out their entitlement to Open Offer Shares as shown by the number of Basic Entitlements allocated to them. Eligible Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Eligible CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlements by 3.00 p.m. on 18 June 2015. Eligible CREST Shareholders should note that although the Basic Entitlements and Excess Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. If applications are made for less than all of the Open Offer Shares available, then the lower number of Open Offer Shares will be issued and any outstanding Basic Entitlements will lapse.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part III of this circular. For Eligible Non-CREST Shareholders, completed Application Forms, accompanied by full payment, should be returned by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions,

Bridgwater Road, Bristol, BS13 8AE, UK so as to arrive as soon as possible and in any event so as to be received no later than 11:00 a.m. on 3 July 2015. For Eligible CREST Shareholders the relevant CREST instructions must have been settled as explained in this circular by no later than 11:00 a.m. on 3 July 2015.

### **3.4 Other information relating to the Open Offer**

The Open Offer is conditional, *inter alia*, upon Admission of the Open Offer Shares becoming effective by not later than 8.00 a.m. on 7 July 2015 (or such later time and/or date as Panmure and the Company may agree).

The Open Offer will result in the issue of in total 20,894,263 Open Offer Shares assuming full take up under the Open Offer (representing, in aggregate, approximately 5.56 per cent. of the Enlarged Ordinary Share Capital assuming full take up under the Open Offer). The Open Offer Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and therefore rank equally for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

Following the issue of the Open Offer Shares pursuant to the Open Offer (and assuming that the Open Offer is taken up in full), Eligible Shareholders who do not subscribe for any of their Open Offer Entitlements will suffer a dilution of approximately 5.56 per cent. to their interests in the Company.

### **4. Admission and dealings**

Application will be made to the London Stock Exchange and the JSE for the Open Offer Shares to be admitted to trading on AIM and AltX respectively. The Open Offer Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared following Admission. It is expected that Admission will become effective and that dealings in the Open Offer Shares will commence on 7 July 2015.

### **5. Action to be taken**

#### *Eligible Non-CREST Shareholders*

If you are an Eligible Non-CREST Shareholder you will have received an Application Form which gives details of your maximum entitlement under the Open Offer (as shown by the number of Basic Entitlements allocated to you). If you wish to apply for Open Offer Shares under the Open Offer (whether in respect of your Basic Entitlement or both your Basic Entitlement and any Excess Entitlements), you should complete the accompanying Application Form in accordance with the procedure for application set out in section 4(i) of Part III of this circular and on the Application Form itself.

#### *Eligible CREST Shareholders*

If you are an Eligible CREST Shareholder and do not hold any Ordinary Shares in certificated form, no Application Form accompanies this circular and you will receive a credit to your appropriate stock account in CREST in respect of the Basic Entitlements representing your maximum entitlement under the Open Offer except (subject to certain exceptions) if you are a Non-Eligible Shareholder or an Overseas Shareholder who has a registered address in, or is a resident in or a citizen of a Restricted Jurisdiction. Applications by Eligible CREST Shareholders for Excess Entitlements in excess of their Basic Entitlements should be made in accordance with the procedures set out in section 4(ii) of Part III of this circular.

**The latest time for applications under the Open Offer to be received is 11:00 a.m. on 3 July 2015. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Basic Entitlements credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are set out in Part III of this circular. Eligible CREST Shareholders who are CREST sponsored members should refer to their CREST Sponsors regarding the action to be taken in connection with this circular and the Open Offer.**

### **6. Overseas Shareholders**

Information for Overseas Shareholders who have registered addresses outside the United Kingdom or who are citizens or residents of countries other than the United Kingdom appears in section 7 of

Part III of this circular, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you pay particular attention to that section of this circular.

#### **7. Additional Information**

Your attention is drawn to the additional information set out in Parts II and III of this circular. In particular the attention of investors is drawn to the information regarding taxation set out in section 6 of Part III of this document. This information is intended only as a general guide to the current tax position under UK taxation law for certain types of investor. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers.

This circular will be available for a period of twelve months from the date of this circular on the Company's website [www.diamondcorp.plc.uk](http://www.diamondcorp.plc.uk) free of charge in accordance with the requirements of Rule 26 of the AIM Rules for Companies.

#### **8. Responsibility**

The Company and the Directors accept responsibility for the information contained in this circular. To the best of the knowledge and belief of the Company and the Directors (which has and who have taken all reasonable care to ensure that such is the case) the information contained in this circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Yours faithfully,

Euan Worthington  
**Chairman**



## PART II

### RISK FACTORS

An investment in the Open Offer Shares may not be suitable for all Eligible Shareholders who receive this document and involves a number of risks. All the information set out in this document and, in particular, those risks relating to the Open Offer described below should be carefully considered prior to making any investment decision. Accordingly, you are strongly recommended to consult an investment adviser authorised under the FSMA if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser, who specialises in the acquisition of shares and other securities before making a decision to invest. In addition to all the other information contained in this document, potential investors should carefully consider the following risk factors which the Directors consider to be all the known material risks in respect of the business of the Company and its securities, but are not set out in any particular order of priority.

If any of the circumstances identified in the risk factors were to materialise, the Company's business, financial condition and operating results could be materially affected. Investors should note that the trading price of the Open Offer Shares could decline due to any of these risks and investors may lose all or part of their investment.

Additional risks which are not presently known to the Board, or that the Board currently deems to be immaterial, may also have an effect on the Group's business, financial condition and operating results.

#### **Risks Relating to the Group's Business**

##### ***The Group's exploration licences and contracts***

The Group's current exploration operations are dependent upon the grant, renewal or continuance in force of appropriate surface and/or subsurface use contracts, licences, permits and regulatory approvals and consents which may be valid only for a defined time period, may be subject to limitations and may provide for withdrawal in certain circumstances. There can be no assurance that such surface and/or subsurface use contracts, licences, permits, regulatory approvals or consents would be granted, renewed or continue in force, or, if so, on what terms.

The Group's surface and/or subsurface use contracts and related work programmes contain a range of obligations on the Group, and there may be adverse consequences of breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the Group's surface and/or subsurface use licences and/or surface and/or subsurface use contracts.

Withdrawal of licences, termination of surface and/or subsurface use contracts or failure to secure requisite licences or the cessation thereof in respect of any of the Group's operations may have a material adverse impact on the Group's business, operating results and financial condition.

##### ***Changes to the current political and regulatory environment in the Republic of South Africa or any other markets in which the Group operates in the future may adversely affect the Group***

The Group's exploration and development activities are and may continue to be conducted in a variety of countries and markets. The political and economic conditions that currently exist in each of these countries and markets may change and national governments may adopt different policies with respect to foreign development and to ownership of natural resources at any time. Any changes in policy may result in changes in laws affecting the ownership of assets, licence tenure, taxation, royalties, exchange rates, environmental protection, labour relations, repatriation of income and return of capital. This may adversely affect both the Group's ability to undertake exploration and development activities on future properties as well as its ability to continue to explore and develop those properties for which it has obtained exploration rights to date.

Regulatory changes, if any, in extraction or investment policies or shifts in political attitude may adversely affect the Group's operations and future profitability. Operations may be affected in varying degrees by Government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income and other taxes, foreign investment, maintenance of claims, environmental and mining legislation, water use, employment and contractor selection.

### ***Exchange Control Regulations***

In the Republic of South Africa, where the Group operates, employs, or may employ in the future, exchange control regulations which may adversely affect the Group's ability to transfer funds in and from such territories, and therefore the Group's ability to carry on its operations in such territories.

Any Eligible Shareholder resident in a Restricted Jurisdiction who receives this document should obtain advice as to whether any governmental and/or any other legal consent is required and/or any other formality must be observed to enable such a subscription to be made in terms of the Application Form.

### ***Exploration, Development and Mining Risks***

The successful exploration, development and mining of diamonds is subject to a number of risks and hazards which even a combination of careful evaluation, experience and knowledge may not eliminate. These risks include environmental hazards, industrial accidents, fires, the encountering of unusual or unexpected geological formations, cave-ins, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, reduced production and delays in mining, asset write-downs, monetary losses and possible legal liability.

### ***Third party contractors and providers of capital equipment can be scarce***

The Group contracts or leases services and capital equipment from third party providers. Such equipment and services can be scarce and may not be readily available at times and places required. In addition, costs of third party services and equipment have increased significantly over recent years and may continue to rise. Scarcity of equipment and services and increased prices may in particular result from any significant increase in exploration and development activities on a region by region basis which might be driven by high demand for diamonds or other minerals. In some of the regions in which the Group operates there is significant demand for capital equipment and services. The unavailability of, or high costs incurred to obtain, such services and equipment could result in a delay or restriction in the Group's projects and adversely affect the feasibility and profitability of such projects and therefore have an adverse effect on the Group's business, financial condition, results of operations and prospects.

### ***Availability of and access to infrastructure***

The Group's mining, processing, development and exploration activities depend on adequate infrastructure, including reliable roads, power sources and water supplies. Any failure or unavailability of the infrastructure on which the Group's operations rely could adversely affect the production output from its mines or impact its exploration activities or the development of a mine or a project. If the infrastructure used by the Group is affected, it could have a material adverse effect on the Group's business, results or operations or financial condition.

### ***Shortages and interruptions in the water supply could have an adverse effect on the business and financial condition***

The Group's mining operations require significant amounts of water. The Group is dependent on the availability of water in its areas of operations. The construction of the new dam, plus additional surface drains has allowed the mine to capture all of the water required for 2015 kimberlite processing despite the current summer rains being the third year in a row with below average rainfall. A continued or intensified water shortage could result in the Group suffering from a reduction in its operating capacity which could have a material adverse effect on the Group's business, results or operations or financial condition.

### ***Operational Targets and Delays***

The Group's operational targets will be subject to the completion of planned operational goals on time and according to budget, and are dependent on the effective support of the Group's personnel, systems, procedures and controls. Any failure of these may result in delays in the achievement of operational targets with a consequent material adverse impact on the business, operations and financial performance of the Group. The Group will not generate any material income until mining has successfully commenced. In the meantime the Group will continue to expend its cash reserves.



### ***Estimates in reserves and resources***

The estimation of the Group's resources and reserves and their anticipated production profiles comply with standard evaluation methods generally used in the international mining industry. In respect of these estimates, no assurance can be given that the anticipated revenues, tonnages and grades will be achieved, that the indicated level of recovery will be realised or that the kimberlitic resources can be mined or processed profitably. Actual resources may not conform to expectations and the volume and grade of kimberlite recovered may be below the estimated levels. There can be no assurance that recoveries in small-scale laboratory tests will be duplicated in larger-scale tests under on-site conditions or during production. Reserve data are not indicative of future results of operations. If the Group's actual reserves and resources are less than current estimates, the Group's results or operations or financial position may be materially and adversely affected.

### ***Mining and Recovery Risk***

The mining of kimberlites from underground which uses explosives in confined spaces involves an inherent degree of risk including geological, geotechnical and seismic factors. There may also be mechanical accidents and water difficulties caused by heavy rain on surface. The recovery plant can also be subject to breakdowns, mechanical failures and power outages while some diamonds in the ore may escape capture.

### ***Diamond Market Risks***

The business of the Group is currently focused on the mining of diamonds. The marketability of diamonds is affected by and dependent on numerous factors beyond the control of the Group, the precise effects of which cannot be accurately predicted. These factors include market fluctuations, general economic activity, action taken by other diamond companies or nations where diamonds are mined, the supply of rough diamonds to the market, consumer demand for polished diamonds and the availability and pricing of other substitute material (including synthetic diamonds), government regulation relating to taxation, royalties, production levels, imports and exports, land tenure and land use, mining licences, health and safety and the environment.

The Group's revenues are predominantly derived from the sale of rough gem diamonds, the price of which has been and is likely to continue to be volatile. Furthermore, and depending on demand and pricing within the diamond market, the Group may determine that it is not economically feasible to commence or continue commercial production which could have an adverse impact on the Group's business, results of operations and financial condition. In such circumstances the Group may curtail or suspend some or all of its production activities.

### ***Estimates in financial statements***

Preparation of consolidated financial statements requires the Group to use estimates and assumptions. Accounting for estimates requires the Group to use its judgement to determine the amount to be recorded in its financial statements in connection with these estimates. The Group's accounting policies regarding exploration and evaluation require management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of kimberlite have been found. In addition, the carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. If the estimates and assumptions are inaccurate, the Group could be required to write down the value of certain assets. On an ongoing basis, the Group re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

### ***Holding company structure and restrictions on dividends***

The Company's operating results and its financial condition are dependent on the trading performance of members of the Group. The Company's ability to pay dividends may depend on the level of distributions, if any, received from the Company's subsidiaries. The Group's members may, from time to time, be subject to restrictions on their ability to make distributions to the Company, as a result of factors such as restrictive covenants contained within loan agreements, foreign exchange limitations and regulatory or fiscal restrictions. There can be no assurance that such restrictions will not have a material adverse effect on the Group's business, operating results and financial condition.

The Company has not, since the date of its incorporation, declared or paid any dividends on its Ordinary Shares, and does not yet have a policy with respect to the payment of dividends.

### ***Uninsured risks***

It is not always possible to obtain insurance against all risks facing the Group and the Group may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Group or to other companies in the mining industry on acceptable terms. Although the Group maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the Ordinary Shares.

### ***Working Capital***

Whilst not currently anticipated by the Board to be required in the near or medium term, the Company may need to raise additional funds in the future in order to develop further exploration and development programmes. Whether as a result of fluctuating market conditions, lack of market interest in the Company's industry sector or otherwise, this additional financing may not be available to the Company on acceptable terms. Additional equity financing may be dilutive to Shareholders and could contain rights and preferences superior to those of the Open Offer Shares, while debt financing may involve restrictions on the Company's financing and operating activities or may not be available at reasonable cost. If the Company is unable to raise additional funds as needed, the scope of its operations may be reduced and or its interest in concessions may be diluted or may expire and, as a result, the Company may be unable to fulfill its medium to long-term exploration and development programme.

### ***Currency risks***

Currency fluctuations may affect the Group's revenue from its operations. The Open Offer and other financing activities will be received in pounds sterling, while a significant portion of its operating expenses will be incurred in other currencies, particular those of the countries in which it operates, namely the Republic of South Africa. Accordingly, foreign currency fluctuations may still adversely affect the Group's financial position and operation results.

### ***Work Force Risks***

The Company depends mainly on locally sourced employees. The Directors believe that the Group has good relationships with its employees but has recently been subject to industrial action at the mine which led to a strike by union workers that was subsequently discontinued following the agreement of a revised wage agreement. Work slow-downs, stoppages or other labour related developments or disputes involving employees in the future could potentially result in a delay in the development of operations and a delay or decrease in production going forward which in turn could impact the Group's financial performance and condition.

### ***Risks relating to key personnel***

The Group's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Group must attract and retain additional highly qualified management and technical personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

### ***Litigation***

While the Group currently has no material outstanding litigation or dispute not already disclosed, there can be no guarantee that the current or future actions of the Group will not result in litigation since there have been a number of cases where the rights and privileges of mining companies have been the subject of litigation. The mining industry, as with all industries, may be subject to legal claims, both with and without merit, from time to time. The Directors cannot preclude that such litigation may be brought against the Group in the future. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of

the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Group's financial position, results or operations. The Group's business may be materially adversely affected if the Group and/or its employees or agents are found not to have met the appropriate standard of care or not exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

### ***Competition***

The diamond mining business is highly competitive in all its phases. The Group competes with numerous other companies, several of which have greater financial, technical and other resources than the Group, for the acquisition of assets as well as the recruitment and retention of qualified employees and other personnel.

### ***Risks relating to the diamond mining industry***

DiamondCorp is the holding company for a group of companies engaged in diamond mining and exploration activities. Diamond mining companies face many risks related to their operations (including their exploration and development activities) that may affect their cash flows and overall profitability.

### ***Mining companies are subject to extensive health, safety and environmental laws and regulations***

Diamond mining operations are subject to a variety of industry-specific health and safety laws and regulations depending upon the jurisdiction in which they are located. These laws and regulations are formulated to improve and to protect the safety and health of employees. Should compliance with any new standards require a material increase in expenditure or material interruptions to production, the Group's results in respect of operations and financial condition may be adversely affected.

Mining companies are also subject to extensive environmental laws and regulations in the various jurisdictions in which they operate. These regulations establish limits and conditions on companies' ability to conduct their operations. The cost of the Group's compliance with environmental laws and regulations has been, and is expected to continue to be, significant. Environmental laws and regulations are continually changing and are generally becoming more restrictive. If environmental compliance obligations alter as a result of changes in laws and regulations, or in certain assumptions on the basis of which the Group estimates liabilities, or if unanticipated conditions arise at the Group's operations, expenses and provisions would increase. If material, these expenses and provisions could adversely affect the Group's results and financial condition.

Mining companies are required to close their operations and rehabilitate the lands that they mine in accordance with environmental laws and regulations. Estimates of the total ultimate closure and rehabilitation costs for diamond mine operations are significant. Environmental liabilities are accrued when they become known, probable and can be reasonably estimated. Regulators are continuously reviewing these regulations and any amendments could result in additional financial guarantees being required, negatively impacting on Group working capital. Costs associated with rehabilitating land disturbed by the mining processes and addressing the environmental, health and community issues are estimated and financial provision made based upon information available currently.

Estimates may however, be insufficient and further environmental issues may be identified at any stage. Any underestimated or unidentified rehabilitation costs would reduce earnings and could materially and adversely affect the Group's asset values, earnings and cash flows.

### ***Security risks and loss control issues***

Whilst mine security and loss control procedures have been implemented, the risk remains of illegal mining, theft, threats to mine workers' lives and safety as well as industrial espionage, information loss and the loss of the operational efficiency of the mine.

### ***Risks relating to emerging markets generally***

Investors in companies whose assets are located in emerging economies such as the Republic of South Africa should be aware that these economies are subject to greater risk than more developed economies, including in some cases significant legal, regulatory, economic and political risks. Investors should also note that emerging economies are subject to rapid change and that the information set out in this document may become outdated. Accordingly, investors should exercise

particular care in evaluating the risks involved and must decide for themselves whether, in light of these risks, investing in the Open Offer Shares is appropriate. Generally, investment in a company whose assets are located in an emerging economy is only suitable for sophisticated investors who fully appreciate the significance of the risks involved and investors are urged to consult with their own legal and financial advisers before making an investment in the Open Offer Shares.

***The legal system in many emerging markets countries is less certain than more developed legal systems***

Many emerging markets countries have a less developed legal system than more established economies, particularly with respect to mining operations, which may result in risks such as: (i) potential difficulties in obtaining effective legal redress in their courts, whether in respect of a breach of law or regulation, or in an ownership dispute; (ii) a higher degree of discretion on the part of Governmental authorities; (iii) the lack of judicial or administrative guidance when interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or (v) relative inexperience of the judiciary and courts in such matters. In addition, the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. Any difficulties faced by the Group arising from these uncertainties could have an adverse effect on the Group's business and financial condition and prospects.

***Any downgrading of prevailing debt rating by an international rating agency could have a negative impact on the Group***

Any adverse revision to the prevailing credit rating for domestic and international debt by any of the international rating agencies may adversely impact the Group's ability to raise future project financing and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on the Group's financial performance and its ability to obtain financing to fund its growth on favourable terms or at all.

***National or regional instability could disrupt the Group's business and affect the price of the Ordinary Shares***

Ongoing terrorist activity and armed conflicts in North Africa including the activities of Al-Qaeda in the Islamic Maghreb (AQIM), the Middle East and elsewhere have had a significant effect on international finance and commodity markets. Any future national or international acts of terrorism or armed conflicts in countries where the Group has operations or assets or in neighbouring countries or other parts of the world could have an adverse effect on the Group's operations, financial and commodities markets and the wider global economy and could adversely affect the Group's business and financial condition.

***Bribery and corruption***

The Board is of the opinion that the Group has sufficient policies and procedures in place to prevent bribery and corruption in its operations. Nevertheless, the Group operates in a region where its representatives may be exposed to potentially corrupt practices. There is no guarantee that the Group's policies will successfully protect the Group from such practices and their legal and financial consequences.

***Risks relating to the Open Offer***

***Future sales of Ordinary Shares could adversely affect the Share Price***

Sales of Ordinary Shares into the public markets following the Open Offer could adversely affect the market price of the Ordinary Shares if there is insufficient demand for the Ordinary Shares at the prevailing market price.

***Share price may fluctuate***

Publicly traded securities from time to time experience price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. In addition, the market price of the Ordinary Shares may prove to be volatile. The market price of the Ordinary Shares may fluctuate in response to a number of factors, many of which are beyond the Group's control, including: variations in operating results in the Group's reporting periods; changes in financial estimates by securities analysts; changes in market valuation of similar companies;

announcements by the Group of significant contracts, acquisitions, strategic alliances, joint ventures or capital commitments; changes to mineral resource and reserve statements; additions or departures of key personnel; any shortfall in revenues or net income or any increase in losses from levels expected by securities analysts; future issues or sales of Ordinary Shares; and stock market price and volume fluctuations. Any of these events could result in a material decline in the price of the Ordinary Shares.

***Holders of Existing Ordinary Shares who do not acquire Open Offer Shares pursuant to the Open Offer will experience a further dilution of their percentage ownership of the Company's Ordinary Shares***

Shareholders' proportionate ownership and voting interest in the Company will be reduced pursuant to the Open Offer to the extent that Shareholders do not take up the offer of Open Offer Shares under the Open Offer. Non-Eligible Shareholders and, subject to certain exceptions, Shareholders in the United States and other Restricted Jurisdictions will not be able to participate in the Open Offer.

***Pre-emptive rights may not be available for non-UK holders of Ordinary Shares***

In the case of an increase of the share capital of the Company for cash, the existing Shareholders are entitled to pre-emption rights pursuant to the Articles unless such rights are waived by an extraordinary resolution of the Shareholders at a general meeting (as is currently the case in respect of the Open Offer) and such an issue could dilute the interests of the then existing Shareholders. To the extent that pre-emptive rights apply in respect of future issues of Ordinary Shares by the Company for cash, holders of Ordinary Shares in Restricted Jurisdictions may not be able to exercise pre-emptive rights for their Ordinary Shares unless the Company decides to comply with applicable local laws and regulations or an exemption from the registration requirements thereunder is available.

***Other risk factors***

The Existing Ordinary Shares are traded on both AIM and AltX, rather than the main market of the London Stock Exchange and the JSE respectively. An investment in shares traded on AIM may carry a higher risk than an investment in shares listed on the Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange. Similarly, an investment in shares traded on AltX may carry a higher risk than an investment in shares listed on the main market of the JSE.

Investors should be aware that the value of the Ordinary Shares may be volatile and may go down as well as up and investors may therefore not recover their original investment, especially as the market in the Ordinary Shares on both AIM and AltX may have limited liquidity.

The market price of the Ordinary Shares may not reflect the underlying value of the Company's net assets. The price at which investors may dispose of their shares in the Company may be influenced by a number of factors, some of which may pertain to the Company, and others of which are extraneous. Investors may realise less than the original amount invested.

The risks above do not necessarily comprise all those faced by the Company and are not intended to be presented in any assumed order of priority.

The investment offered in this circular may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser, who is authorised under the FSMA and who or which specialises in investments of this kind before making a decision to invest.



## PART III

### TERMS AND CONDITIONS OF THE OPEN OFFER

#### *To Eligible Shareholders*

##### **1. Introduction**

As explained in the Chairman's letter set out in Part I of this circular, the Company is proposing to issue up to 20,894,263 Open Offer Shares pursuant to the Open Offer to raise up to £2.1 million, assuming a full take-up. Upon completion of the Open Offer, assuming a full take-up, the Open Offer Shares will represent approximately 5.56 per cent. of the Enlarged Ordinary Share Capital. Eligible Shareholders are being offered the opportunity under the Open Offer to acquire Open Offer Shares at the Issue Price, being the same price per share as they were offered to placees and subscribers under the Company's recent Placing.

The Issue Price of the Open Offer Shares represents a discount of 13 per cent. to the closing price of 11.5 pence per Existing Ordinary Share on 16 June 2015 (being the last Business Day before the announcement of the Open Offer) and a discount of 13.0 per cent. to the closing price of 11.5 pence per Existing Ordinary Share on 4 June 2015 (being the last Business Day before the announcement of the Placing and intention to conduct an Open Offer at the Issue Price).

A summary of the arrangements relating to the Open Offer is set out below. This circular and, where relevant, the Application Form contain the formal terms and conditions of the Open Offer.

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 3 July 2015. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Basic Entitlements credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are further set out below in this Part III.

##### **2. The Open Offer**

Subject to the fulfillment of the terms and conditions referred to below and, where relevant, set out in the Application Form, Eligible Shareholders are hereby invited to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 1 Open Offer Share for every 17 existing Ordinary Shares held by Eligible Shareholders at the Record Date and so in proportion for any other number of Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of their Basic Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Eligible Shareholders apply for their Basic Entitlement in full).

Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer. Fractions of Open Offer Shares will not be allotted, each Eligible Shareholder's entitlement being rounded down to the nearest whole number. The fractional entitlements may be aggregated and sold for the benefit of the Company.

Eligible Shareholders may apply for any whole number of Open Offer Shares up to their maximum entitlement which, in the case of Eligible Non-CREST Shareholders, is equal to the number of Basic Entitlements as shown on their Application Form or, in the case of Eligible CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST and, if they so wish, may apply for Open Offer Shares in excess of their Basic Entitlement.

The Excess Application Facility will enable Eligible Shareholders, provided that they take up their Basic Entitlement in full, to apply for Excess Entitlements. Eligible Non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlement should complete the relevant sections on the Application Form. Eligible CREST Shareholders will have Excess Entitlements credited to their stock account in CREST and should refer to paragraph 4(ii)(j) of Part III of this circular for information on how to apply for Excess Shares pursuant to the Excess Application Facility.

Applications for Excess Entitlements will be satisfied only to the extent that corresponding applications by other Eligible Shareholders are not made or are made for less than their Basic Entitlements. Once subscriptions by Eligible Shareholders under their respective Basic Entitlements

have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications in full or in part and no assurance can be given that applications by Eligible Shareholders under the Excess Application Facility will be met in full, in part or at all.

Any monies paid for applications in excess of their Basic Entitlements which are not so satisfied will be returned to the Applicant (at the applicant's risk) without interest within 14 days by way of cheque or CREST payment, as appropriate. The action to be taken in relation to the Open Offer depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Basic Entitlements credited to your stock account in CREST in respect of such entitlement.

**Not all Shareholders will be Eligible Shareholders. Overseas Shareholders who are located in, or who are citizens of, or have a registered address in certain overseas jurisdictions (including, without limitation, any Restricted Jurisdiction) and Non Eligible Shareholders will not qualify to participate in the Open Offer. The attention of Overseas Shareholders or any person (including without limitation a custodian, nominee or trustee) who has a contractual or other legal obligation to forward this circular into a jurisdiction other than the United Kingdom is drawn to section 7 of this Part III.**

If you have received an Application Form with this circular, please refer to section 4 (i) and sections 5 to 8 of this Part III.

If you hold your Ordinary Shares in CREST and have received a credit of Basic Entitlements to your CREST stock account, please refer to section 4(ii) and sections 5 to 8 of this Part III and also to the CREST Manual for further information on the CREST procedures referred to below.

The Existing Ordinary Shares are admitted to trading on both AIM and AltX. Application will be made to the London Stock Exchange and the JSE for the Open Offer Shares to be admitted to trading on both AIM and AltX respectively. It is expected that Admission of the Open Offer Shares will become effective and that dealings for normal settlement in the Open Offer Shares on both AIM and AltX will commence at 8.00 a.m. on 7 July 2015.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the Open Offer Shares; all of such shares, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Basic Entitlements and Excess Entitlements in respect of Eligible CREST Shareholders to be admitted to CREST. It is expected that such Basic Entitlements and Excess Entitlements will be admitted to CREST by 3.00 p.m. on 18 June 2015. Applications through the means of the CREST system may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Eligible Non-CREST Shareholders will have received an Application Form with this circular which sets out their entitlement to Open Offer Shares as shown by the number of Basic Entitlements allocated to them. Eligible CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlements on 18 June 2015.

The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the Existing Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

**The Open Offer is not a rights issue. Eligible Shareholders should be aware that in the Open Offer, unlike in a rights issue, entitlements to Open Offer Shares will neither be tradeable nor sold in the market and in the event that any Open Offer Shares not applied for are sold or placed in the market, this will be for the benefit of the Company and not the Eligible Shareholders who do not apply under the Open Offer.**

**Eligible CREST Shareholders should note that although the Basic Entitlements and Excess Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Eligible Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.**

**Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all of the information in this circular, including in particular the important**

information set out in the letter from the Chairman in Part I of this circular, as well as this Part III and the Risk Factors set out in Part II of this circular. The Open Offer is not underwritten.

### **3. Conditions and further terms of the Open Offer**

The Open Offer is conditional, *inter alia*, upon Admission of the Open Offer Shares becoming effective by not later than 8.00 a.m. on 7 July 2015 (or such later time and/or date as Panmure and the Company may agree, not being later than 28 July 2015); and

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Open Offer will not proceed.

Further terms of the Open Offer are set out in this Part III and in the Application Form.

### **4. Procedure for application and payment**

Save as provided in section 7 of this Part III in relation to Overseas Shareholders, the action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your entitlement under the Open Offer, including the Excess Application Facility, or you have Basic Entitlements and Excess Entitlements credited to your CREST stock account in respect of such entitlement.

Eligible Shareholders who hold part of their Existing Ordinary Shares in uncertificated form on the Record Date and who take up Open Offer Shares under their entitlement will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. Further information on deposit into CREST is set out in paragraph 4(ii)(f) of this Part III.

CREST sponsored members should refer to their CREST Sponsor, as only their CREST Sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Basic Entitlements and Excess Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Basic Entitlements and Excess Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

If for any reason it becomes necessary to adjust the expected timetable as set out in this circular the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

Eligible Shareholders who do not wish to partake in the Open Offer should not complete or return the Application Form or submit a USE instruction through CREST. Eligible Shareholders who hold their Ordinary Shares through a nominee and who wish to partake in the Open Offer must contact their nominee who will be able to apply for Open Offer Shares directly using an Application Form or submitting a USE instruction through CREST.

#### ***(i) If you have an Application Form in respect of your entitlement under the Open Offer***

##### ***(a) General***

Each Eligible Non-CREST Shareholder will have received an Application Form accompanying this circular. The Application Form shows the number of Existing Ordinary Shares registered in the relevant Eligible Non-CREST Shareholder's name at the close of business on the Record Date.

It also shows the number of Open Offer Shares for which such relevant Eligible Non-CREST Shareholder is entitled to apply under the Open Offer, calculated on the basis set out in section 2 of this Part III, above. Eligible Non-CREST Shareholders may also apply for less than their maximum Basic Entitlements.

#### **The instructions and other terms set out in the Application Form form part of the terms of the Open Offer.**

The Excess Application Facility enables Eligible Shareholders who have taken up their full Basic Entitlement to apply for Open Offer Shares in excess of their Basic Entitlement. Applications in excess of the Basic Entitlement will only be satisfied to the extent that applications made by other Eligible Shareholders are less than their full Basic Entitlements and may therefore be scaled down at the Company's sole discretion.



Fractions (if any) of Open Offer Shares may be aggregated and sold for the benefit of the Company. The instructions and other terms which are set out in the Application Form constitute part of the terms of the Open Offer.

*(b) Market Claims*

Applications for Open Offer Shares (including under the Excess Application Facility) may only be made on the Application Form and may only be made by the Eligible Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of existing Ordinary Shares through the market prior to the date upon which the existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by AIM, being 8.00 a.m. on 18 June 2015. Application Forms may be split up to 3.00 p.m. on 1 July 2015.

Eligible Non-CREST Shareholders may also apply for Excess Entitlements in excess of their *pro rata* entitlement to Open Offer Shares by completing Boxes 6 and 7 of the Application Form for the total number of Open Offer Shares for which they wish to make application (including their *pro rata* entitlement) and submitting the amount payable on such application. Further details on the Excess Application Facility are set out in section 4 of this Part III.

The Application Form is not a negotiable document and cannot be separately traded. A Eligible Non-CREST Shareholder who has sold or transferred all or part of his holding of existing Ordinary Shares prior to 8.00 a.m. on 18 June 2015, being the date upon which the existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by AIM, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer (including under the Excess Application Facility) may be a benefit which may be claimed by the transferee from his counterparty pursuant to the rules of the London Stock Exchange. Eligible Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 9 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the any of the Restricted Jurisdictions, to US Persons or to Non-Eligible Shareholders.

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 4(ii)(b) below.

An Eligible Non-CREST Shareholder who does not wish to apply for any of the Open Offer Shares to which he or she is entitled should not return a completed Application Form to the Receiving Agents. However, he or she is strongly encouraged to still complete and return the Form of Proxy to the Registrars.

*(c) Application Procedures*

Applications for Open Offer Shares (including under the Excess Application Facility) by Eligible Non-CREST Shareholders may only be made on the Application Form, which is personal to the Eligible Non-CREST Shareholder(s) named on it and is not capable of being split, assigned or transferred except in the circumstances described below.

Eligible Non-CREST Shareholders may also apply for Excess Shares in excess of their *pro rata* entitlement to Open Offer Shares by completing Boxes 6 and 7 of the Application Form for the total number of Open Offer Shares for which they wish to make application (including their *pro rata* entitlement) and submitting the amount payable on such application. Further details on the Excess Application Facility are set out in paragraph 4(i)(f) of this Part III.

An Eligible Non-CREST Shareholder who does not wish to apply for any of the Open Offer Shares to which he or she is entitled should not return a completed Application Form to the Receiving Agents.

If you are a Eligible Non-CREST Shareholder and wish to apply for all or some of your entitlement to Open Offer Shares under the Open Offer (including any application for any Excess Entitlements under the Excess Application Facility) you should complete and sign the Application Form in accordance with the instructions on it and send it, together with the appropriate remittance, by post to Computershare, Corporate Actions Projects, Bristol , BS99 6AH or by hand (during normal business hours only) to the Company's UK registrars, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS13 8AE, UK so as to arrive no later than 11:00 a.m. on

3 July 2015. A reply paid envelope is enclosed for use by Eligible Non-CREST Shareholders in connection with the Open Offer. Your Application Form will not be valid unless you sign it.

The Application Form represents a right personal to the Eligible Non-CREST Shareholders to apply to subscribe for Open Offer Shares (including under the Excess Application Facility); it is not a document of title and it cannot be traded. It is assignable or transferable only to satisfy *bona fide* market claims in relation to purchases in the market pursuant to the rules and regulations of the London Stock Exchange.

Application Forms may be split up to 3.00 p.m. on 1 July 2015 but only to satisfy such *bona fide* market claims. Eligible Non-CREST Shareholders who have before the 'ex' date sold or transferred all or part of their shareholdings are advised to consult their stockbroker, bank or agent through whom the sale or transfer was effected or another professional adviser authorised under the FSMA as soon as possible, since the invitation to apply for Open Offer Shares (including under the Excess Application Facility) may represent a benefit which can be claimed from them by the purchaser(s) or transferee(s) under the rules of the London Stock Exchange.

Eligible Non-CREST Shareholders who submit a valid application using the Application Form and accompanying payment will (subject to the terms and conditions set out in this Part III, in the letter from the Chairman of the Company in Part I and in the Application Form) be allocated the Open Offer Shares applied for in full at the Issue Price (subject to the Company's discretion to accept, reject or scale back any application for any Open Offer Shares).

Applications will be irrevocable and, once submitted, may not be withdrawn and their receipt will not be acknowledged. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an Applicant (or as the Applicant may direct) will be sent at the Applicant's own risk.

If Open Offer Shares have already been allotted to an Eligible Non-CREST Shareholder and such Eligible Non-CREST Shareholder's cheque or a duly endorsed banker's draft is not honoured upon first presentation or such Eligible Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Company shall arrange (in its absolute discretion as to manner, timing and terms) to make arrangements for the sale of such Eligible Non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Registrar, the Company or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Eligible Non-CREST Shareholders.

Please note that the Company's UK Registrars cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement to Open Offer Shares under the Open Offer. If any Application Form is sent by first class post within the United Kingdom, Eligible Non-CREST Shareholders are recommended to allow at least four Business Days for delivery. The Company may in its absolute discretion elect to accept Application Forms and remittances after 11.00 a.m. on 3 July 2015. The Company may also (in its sole discretion) elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

**The Company also reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 3 July 2015 from an authorised person (as defined in FSMA) specifying the number of Open Offer Shares concerned, and undertaking to lodge the relevant Application Form in due course.**

*(d) Payments*

All payments must be in pounds sterling and cheques or duly endorsed banker's drafts should be made payable to "Computershare Investor Services PLC re: DiamondCorp plc Open Offer Acceptance A/C" and crossed "A/C payee only". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner. Third party cheques will not be

accepted except Building Society cheques or bankers' drafts where the Building Society or bank has confirmed the name of the account holder by stamping and endorsing the Building Society cheque or bankers' draft on the reverse to such effect.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct its UK registrars to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

Application monies will be paid into a separate bank account pending the Open Offer becoming unconditional. In the event that it does not become unconditional by 8.00 a.m. on 7 July 2015 or such later time and date as the Company shall agree (being no later than 28 July 2015), the Open Offer will lapse and application monies will be returned by post to Applicants, at the Applicants' risk and without interest, to the address set out on the Application Form, within 14 days thereafter.

The Company shall as soon as possible after 28 July 2015 refund any payment received with respect to an application for a number of Open Offer Shares in respect of a Basic Entitlement which has been rejected in whole or in part by the Company.

*(e) Effect of Application*

All documents and remittances sent by post by or to an Applicant (or as the Applicant may direct) will be sent at the Applicant's own risk. By completing and delivering an Application Form, you (as the Applicant(s)):

- (i) agree that all applications, and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (ii) confirm to the Company that in making the application you are not relying on any information or representation other than that contained in this circular, and you accordingly agree that no person responsible solely or jointly for this circular or any part thereof shall have any liability for any such information or representation not so contained and that having had the opportunity to read this circular you will be deemed to have notice of all the information concerning the Group and the Ordinary Shares contained within this circular;
- (iii) represent and warrant to the Company that if you have received some or all of your Basic Entitlements from a person other than the Company, you are entitled to apply under the Open Offer in relation to such Basic Entitlements by virtue of a *bona fide* market claim;
- (iv) represent and warrant to the Company that you are not (i) a Non-Eligible Shareholder; or (ii) a citizen or resident of a Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and are not applying on behalf of, or with a view to the re-offer, re-sale or delivery of Open Offer Shares directly or indirectly in, into or within a Restricted Jurisdiction or to a resident of a Restricted Jurisdiction or to any person you believe is purchasing or subscribing for the purpose of such re-offer, re-sale or delivery;
- (v) represent and warrant to the Company that you are not otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of such person(s) on a non-discretionary basis;
- (vi) represent and warrant to the Company as follows: (i) you have not received the Application Form or any other document relating to the Open Offer in a Restricted Jurisdiction, nor have you mailed, transmitted or otherwise distributed or forwarded any such document in or into a Restricted Jurisdiction; (ii) you are not and were not located in a Restricted Jurisdiction at the time you accepted the Application Form or at the time you returned the Application Form; and (iii) if you are acting in a fiduciary, agency or other capacity as an intermediary, then either (A) you have full investment discretion with respect to the Open Offer Shares covered by the Application Form or (B) the person on whose behalf you are acting was located outside a Restricted Jurisdiction at the time he or she instructed you to submit the Application Form;

- (vii) request that the Open Offer Shares to which you will become entitled be issued to you on the terms set out in this circular and the Application Form, subject to the Memorandum and Articles of the Company;
- (viii) confirm that in making the application you are not relying on and have not relied on the Company or Panmure or any person affiliated with the Company or Panmure in connection with any investigation of the accuracy of any information contained in this circular or your investment decision;
- (ix) represent and warrant to the Company that you are not and nor are you applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (x) represent and warrant to the Company that you have the right, power and authority, and have taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise your rights, and perform your obligations under any contracts resulting therefrom and that you are not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (xi) acknowledge that the Existing Ordinary Shares are admitted to trading on both AIM and AltX and the Company is therefore required to publish certain business and financial information in accordance with the rules of both AIM and AltX (the "Exchange Information"), and that you are able to obtain or access the Exchange Information without undue difficulty. None of the Company, Panmure nor any person acting on their behalf nor any of their respective affiliates nor any of their respective directors, officers, employees, agents, partners or professional advisers has or shall have any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement contained in the Exchange Information, any other information made available by or on behalf of the Company or made publicly available by the Company on its website, by press release, by public filing or otherwise or any other information, provided that nothing in this paragraph excludes the liability of any person for fraud made by that person; and
- (xii) represent and warrant to the Company that the purchase by you of Open Offer Shares does not trigger in the jurisdiction in which you are resident: (a) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; or (b) any disclosure reporting obligation of the Company; or (c) any registration or other obligation on the part of the Company; or (d) the requirement for the Company to take any other action.

If you are unable to provide such representations and warranties you will be deemed not to have validly submitted an application for Open Offer Shares, save in the discretion of the Company and subject to certain conditions.

You should note that applications will be irrevocable. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying in all respects with the terms and conditions of application as nevertheless valid.

**If you do not wish to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.**

If you are in doubt whether or not you should apply for any of the Open Offer Shares under the Open Offer, you should consult your independent financial adviser immediately. For all enquiries in relation to the procedure for application for Eligible Non-CREST Shareholders under the Open Offer please contact Computershare Investor Services PLC on 0870 707 1433 from within the UK or on +44 (0)870 707 1433 if calling from outside the UK. Calls from landline providers typically cost up to 12 pence per minute. From mobile networks calls cost between 5 pence and 40 pence per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday (excluding UK public holidays).

Please note that the Shareholder Helpline cannot provide comments on the merits of the Open Offer, or legal, financial or taxation advice.



*(f) The Excess Application Facility*

The Excess Application Facility enables Eligible Shareholders who have taken up their Basic Entitlement in full to apply for additional Open Offer Shares.

Eligible Non-CREST Shareholders who wish to apply for Open Offer Shares in excess of their Basic Entitlement must complete the Application Form in accordance with the instructions set out on the Application Form.

Should the Open Offer become unconditional and applications for Open Offer Shares exceed the 20,894,263 Open Offer Shares being made available to Eligible Shareholders as a result of applications made in respect of the Excess Application Facility, resulting in a scaling back of applications, each Eligible Non-CREST Shareholder who has made a valid application for Open Offer Shares under the Excess Application Facility and from whom payment in full for such Open Offer Shares has been received in cleared funds will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for under the Excess Application Facility but not allocated to the relevant Eligible Non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number.

***(ii) If you have Basic Entitlements and Excess Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer***

*(a) General*

Subject as provided in section 7 of this Part III in relation to certain Overseas Shareholders, each Eligible CREST Shareholder will receive a credit to his stock account in CREST of his Basic Entitlements equal to the maximum number of Open Offer Shares for which he is entitled to apply under the Open Offer. Eligible CREST Shareholders may also apply for Open Offer Shares in excess of their Basic Entitlement under the Excess Application Facility. Further details of Excess can be found in paragraph 4(ii)(j) of this Part III.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Eligible CREST Shareholder in respect of which the Basic Entitlements and Excess Entitlements have been allocated.

If for any reason the Basic Entitlements cannot be admitted to CREST by, or the stock accounts of Eligible CREST Shareholders cannot be credited by 3.00 p.m. on 18 June 2015 or such later time as the Company may decide, an Application Form will be sent out to each Eligible CREST Shareholder in substitution for the Basic Entitlements and Excess Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this circular will be adjusted as appropriate and the provisions of this circular applicable to Eligible Non-CREST Shareholders with Application Forms will apply to Eligible CREST Shareholders who receive Application Forms.

Eligible CREST Shareholders who wish to apply for some or all of their entitlements to Open Offer Shares (including any applications for Excess Entitlements) should refer to the CREST Manual for further information on the CREST procedures referred to below. If you have any questions relating to the procedure for acceptance, please contact Computershare Investor Services PLC on 0870 707 1433 from within the UK or on +44 (0)870 707 1433 if calling from outside the UK. Calls from landline providers typically cost up to 12 pence per minute. From mobile networks calls cost between 5 pence and 40 pence per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday (excluding UK public holidays).

Please note that the Shareholder Helpline cannot provide comments on the merits of the Open Offer, or legal, financial or taxation advice.

If you are a CREST sponsored member you should consult your CREST Sponsor if you wish to apply for Open Offer Shares (including any applications for Excess Entitlements) as only your CREST Sponsor will be able to take the necessary action to make this application in CREST.

*(b) Market claims*

The Basic Entitlements and Excess Entitlements will have separate ISIN/SEDOL numbers and will constitute separate securities for the purposes of CREST. Although Basic Entitlements and Excess Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Basic Entitlements and Excess Entitlements may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Basic Entitlement will generate an appropriate market claim transaction and the relevant Basic Entitlement(s) and Excess Entitlement(s) will thereafter be transferred accordingly.

*(c) USE Instructions*

Eligible CREST Shareholders who wish to apply for Open Offer Shares in respect of all or some of their Basic Entitlements and Excess Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST Sponsor sends) an Unmatched Stock Event (“USE”) instruction to Euroclear which, on its settlement, will have the following effect:-

- (i) the crediting of a stock account of Computershare under the participant ID and member account ID specified below, with a number of Basic Entitlements or Excess Entitlements corresponding to the number of Open Offer Shares or Excess Entitlements applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of Computershare in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares or Excess Entitlements referred to in (i) above.

*(d) Content of USE Instructions in respect of Basic Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear UK & Ireland’s specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:-

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Basic Entitlement(s) being delivered to Computershare);
- (ii) the ISIN of the Basic Entitlement. This is GB00BYR8Z871;
- (iii) the participant ID of the accepting CREST member;
- (iv) the member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
- (v) the participant ID of Computershare, in its capacity as a CREST receiving agent. This is 3RA07;
- (vi) the member account ID of Computershare, in its capacity as CREST receiving agent. This is DIAMOND;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11:00am on 3 July 2015; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00 a.m. on 3 July 2015.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST Sponsors, should note that the last time at which a USE instruction may settle on 3 July 2015 in order to be valid is 11:00 a.m. on that day.

*(e) Content of USE Instructions in respect of Excess Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Excess Entitlement(s) being delivered to Computershare);
- (ii) the ISIN of the Excess CREST Basic Entitlement. This is GB00BYR8Z988;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess Entitlements are to be debited;
- (v) the Participant ID of Computershare in its capacity as a CREST receiving agent, which is 3RA07;
- (vi) the member account ID of Computershare in its capacity as CREST receiving agent, which is DIAMOND;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be before 11:00am on 3 July 2015; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00 a.m. on 3 July 2015.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) should add the following non-mandatory fields to their USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST Sponsors, should note that the last time at which a USE instruction may settle in order to be valid is 11:00 a.m. on 3 July 2015. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess Entitlement security.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 7 July 2015 or such later time and date as the Company shall agree (being no later than 28 July 2015.), the Open Offer will lapse, the Basic Entitlements and Excess Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by an Eligible CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter. The Open Offer cannot be revoked once all conditions have been satisfied.

*(f) Deposit of Basic Entitlements into, and withdrawal from, CREST*

An Eligible Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Basic Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Eligible Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Basic Entitlements and Excess Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing so to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Basic Entitlements and Excess Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11:00 a.m. on 3 July 2015.

In particular, having regard to normal processing times in CREST and on the part of Computershare Investor Services PLC, the recommended latest time for depositing an Application

Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Basic Entitlements in CREST, is 3.00 p.m. on 1 July 2015, and the recommended latest time for receipt by Euroclear UK & Ireland of a dematerialized instruction requesting withdrawal of Basic Entitlements and Excess Entitlements from CREST is 4.30 p.m. on 30 June 2015, in either case so as to enable the person acquiring or (as appropriate) holding the Basic Entitlements and Excess Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Basic Entitlements and Excess Entitlements prior to 11.00 a.m. on 3 July 2015.

Delivery of an Application Form with the CREST Deposit Form duly completed whether in respect of a deposit into the account of the Eligible Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes on page 2 of the Application Form, and a declaration to the Company from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of any of the Restricted Jurisdictions and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

*(g) Validity of Application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11:00 a.m. on 3 July 2015 will constitute a valid application under the Open Offer.

*(h) CREST Procedures and Timings*

**CREST members and (where applicable) their CREST Sponsors should note that Euroclear UK & Ireland does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST Sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11:00a.m. on 3 July 2015. In this connection CREST members and (where applicable) their CREST Sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.**

*(i) Incorrect or Incomplete Applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through Computershare Investor Services PLC reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares and/or Excess Entitlements as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question;
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question (without interest).

*(j) The Excess Application Facility*

Provided that an Eligible CREST Shareholder chooses to take up their Basic Entitlement in full, the Excess Application Facility enables Eligible CREST Shareholders to apply for Open Offer Shares in excess of their Basic Entitlements. Any such applications will be granted at the absolute discretion of the Company.

Applications for Excess Entitlements will be satisfied only and to the extent that corresponding applications by other Eligible Shareholders are not made or are made for less than their Basic Entitlements. Once subscriptions by Eligible Shareholders under their respective Basic Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications in full or in part and no assurance can be given that applications by Eligible Shareholders under the Excess Application Facility will be met in full, in part or at all.



An Excess Entitlement may not be sold or otherwise transferred. Subject as provided in section 7 of this Part III in relation to certain Overseas Shareholders, the CREST accounts of Eligible CREST Shareholders will be credited with an Excess Entitlement in order for any applications for Excess Entitlements to be settled through CREST. The credit of such Excess Entitlement does not in any way give Eligible CREST Shareholders a right to the Open Offer Shares attributable to the Excess Entitlement as an Excess Entitlement is subject to scaling back in accordance with the terms of this circular.

To apply for Excess Entitlements pursuant to the Open Offer, Eligible CREST Shareholders should follow the instructions above and must not return a paper form and cheque. Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Basic Entitlement and the relevant Basic Entitlement(s) be transferred, the Excess Entitlements will not transfer with the Basic Entitlement(s) claim, but will be transferred as a separate claim.

Should an Eligible CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess Entitlement credited to CREST, and allocated to the relevant Eligible Shareholder, will be transferred to the purchaser. Please note that an additional USE instruction must be sent in respect of any application under the Excess Entitlement.

Should the Open Offer become unconditional and applications for Open Offer Shares by Eligible Shareholders under the Open Offer exceed the number of Open Offer Shares being made available, resulting in a scale back of applications under the Excess Application Facility, each Eligible CREST Shareholder who has made a valid application for Excess Shares under the Excess Application Facility, and from whom payment in full for the Excess Entitlement has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Eligible CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest, and at the Applicant’s sole risk.

Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number, aggregated and may be sold and the proceeds in respect thereof held for the benefit of the Company.

*(k) Effect of Valid Application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to Computershare’s payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (ii) confirm to the Company that in making the application you are not relying on any information or representation other than that contained in this circular, and you accordingly agree that no person responsible solely or jointly for this circular or any part thereof shall have any liability for any such information or representation not so contained and that having had the opportunity to read this circular you will be deemed to have notice of all the information concerning the Group contained within this circular;
- (iii) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this circular and subject to the Memorandum and Articles of the Company;
- (iv) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (v) represent and warrant to the Company that he is not applying on behalf of any Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction and he is not applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction except where proof satisfactory to the Company has been provided to the Company and that he is able to accept the invitation by the Company of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting

on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (vi) represent and warrant to the Company that he is not and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (vii) confirm that in making such application he is not relying on any information in relation to the Company other than that contained in publicly available information and agrees that no person responsible solely or jointly for this circular or any part thereof or involved in the preparation thereof, shall have any liability for any such other information and further agrees that he will be deemed to have had notice of all the information concerning the Group contained within this circular; and
- (viii) represent and warrant to the Company that he is the Eligible Shareholder originally entitled to the Basic Entitlements or that he has received such Basic Entitlements and Excess Entitlements by virtue of a *bona fide* market claim;
- (ix) represent and warrant to the Company that you have the right, power and authority, and have taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise your rights, and perform your obligations under any contracts resulting therefrom and that you are not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (x) confirm that in making the application you are not relying on and have not relied on the Company, Panmure or any person affiliated with the Company or Panmure in connection with any investigation of the accuracy of any information contained in this circular or your investment decision;
- (xi) acknowledge that the Existing Ordinary Shares are admitted to trading on both AIM and AltX and the Company is therefore required to publish certain business and financial information in accordance with the rules of both AIM and the JSE (the "Exchange Information"), and that you are able to obtain or access the Exchange Information without undue difficulty. None of the Company, Panmure nor any person acting on their behalf nor any of their respective affiliates nor any of their respective directors, officers, employees, agents, partners or professional advisers has or shall have any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement contained in the Exchange Information, any other information made available by or on behalf of the Company or made publicly available by the Company on its website, by press release, by public filing or otherwise or any other information, provided that nothing in this paragraph excludes the liability of any person for fraud made by that person; and
- (xii) warrant and represent to the Company that the purchase by you of Open Offer Shares does not trigger in the jurisdiction in which you are resident: (a) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; or (b) any disclosure reporting obligation of the Company; or (c) any registration or other obligation on the part of the Company; or (d) the requirement for the Company to take any other action.

*(l) Company's discretion as to Rejection and Validity of Applications*

The Company may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part III;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST Sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which Computershare Investor Services PLC receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or Computershare Investor

Services PLC have received actual notice from CRESTCo of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST Sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST Sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by Registrar in connection with CREST.

*(m) Issue of Open Offer Shares in CREST*

Basic Entitlements and Excess Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 3 July 2015. If the conditions to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied. On this day, the Receiving Agent will instruct Euroclear UK & Ireland to credit the appropriate stock accounts of such persons with such persons' Basic Entitlements with effect from the next Business Day. The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

## **5. Money Laundering Regulations**

*(i) Holders of Application Forms*

It is a term of the Open Offer that, in order to ensure compliance with the Money Laundering Regulations 2007 (as amended) (the "Regulations"), the Registrar may require verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the "verification of identity").

The verification of identity requirements pursuant to the Regulations will apply to applications with a value of €15,000 (or its Pound Sterling equivalent) or greater, or to one of a series of linked applications whose aggregate value exceeds that amount, and in the case of such applications verification of the identity of Applicant(s) for Open Offer Shares may be required.

If within a reasonable period of time following a request, for verification of identity, but in any event by 11.00 a.m. on 3 July 2015, the Receiving Agent has not received evidence satisfactory to it, the Company may, in its absolute discretion, elect not to treat as valid the relevant application, in which event the money payable or paid in respect of the application will be returned (without interest and at the Applicant's risk) to the account of the drawee bank or building society from which sums were originally debited (but in each case without prejudice to any rights the Company may have to take proceedings in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid).

In order to avoid this, payment should be made by means of a cheque drawn by and in the name of the Applicant named on the accompanying Application Form or (where an Application Form has been transferred and/or split to satisfy *bona fide* market claims in relation to transfers of Existing Ordinary Shares through the market prior to 3.00 p.m. on 1 July 2015), by the person(s) named in Box 1 on the Application Form. If this is not practicable and the Applicant uses a cheque drawn on a building society or a banker's draft, the Applicant should:

- (i) ask the building society or bank to endorse on the cheque or draft the name and account number of the person whose building society or bank account is being debited which must be the same name as that printed on the Application Form, such endorsement being validated by a stamp and authorised signature by the building society or bank on the reverse of the cheque or banker's draft;
- (ii) if the Applicant is making the application as agent for one or more persons, indicate on the Application Form whether it is a United Kingdom or European Union regulated person or institution (e.g. a bank or broker), and specify its status. If you have any questions relating to the procedure for acceptance, please contact Computershare Investor Services PLC on

0870 707 1433 from within the UK or on +44 (0)870 707 1433 if calling from outside the UK. Calls from landline providers typically cost up to 12 pence per minute. From mobile networks calls cost between 5 pence and 40 pence per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday (excluding UK public holidays);

- (iii) if the Applicant delivers the Application Form by hand, bring with them the appropriate photographic evidence of identity, such as a passport or driving licence; and
- (iv) third party cheques may not be accepted unless covered by (i) above.

In any event, if it appears to the Receiving Agent that an Applicant is acting on behalf of some other person, further verification of the identity of any person on whose behalf the Applicant appears to be acting will be required.

Neither the Receiving Agent nor the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of any discretion to require verification. By lodging an Application Form, each Eligible Shareholder undertakes to provide evidence of his identity at the time of lodging the Application Form, or, at the absolute discretion of the Company, at such specified time thereafter as may be required to ensure compliance with the Regulations.

#### *(ii) Basic Entitlements and Excess Entitlements in CREST*

If you hold your Basic Entitlements or Excess Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Basic Entitlements (and Excess Entitlements) as agent for one or more persons and you are not a United Kingdom or European Union regulated person or institution (e.g. a United Kingdom financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the Applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of any failure to provide satisfactory evidence.

## **6. Taxation**

The following paragraphs are intended as a general guide only and are based on current UK legislation and HM Revenue and Customs practice (which is subject to change and possibly with retrospective effect) and are not exhaustive. They summarise advice received by the Directors of the Company as to the position of Shareholders who (unless the position of non-resident Shareholders is expressly referred to) are resident (and domiciled) in the United Kingdom ("UK") for tax purposes, who are the absolute beneficial owners of their Ordinary Shares and who hold their Ordinary Shares as an investment. The discussion does not address all possible tax consequences relating to an investment in shares. Certain Shareholders, such as dealers in securities, employees and officers, Shareholders that are exempt from taxation, insurance companies and collective investment vehicles, may be taxed differently and are not considered.

Shareholders who are in any doubt as to their tax position, or who are subject to tax in any other jurisdiction, should consult their independent professional adviser immediately.

### **Taxation of Chargeable Gains**

For the purposes of UK taxation of chargeable gains, Open Offer Shares allotted to Eligible Shareholders under the Open Offer will be added to the Eligible Shareholder's existing holding of Ordinary Shares and treated as acquired at the time the existing holding was acquired. The subscription monies for the Open Offer Shares will be added to the base cost of the existing



holding. A subsequent disposal of Open Offer Shares by an Eligible Shareholder may, subject to the Eligible Shareholder's circumstances and any available exemption or relief, give rise to a taxable gain (or allowable loss) for the purposes of UK taxation of chargeable gains.

In the case of individual Shareholders, there are two main rates of UK capital gains tax; the applicable rate will be dictated by the individual Shareholders' amount of taxable income. Those individual Shareholders who are higher rate taxpayers or additional rate taxpayers will pay capital gains tax at 28% and those individuals who are basic rate taxpayers will pay capital gains tax at 18%.

For Shareholders within the charge to UK corporation tax on chargeable gains, the subscription price of the Open Offer Units will be increased by indexation allowance from the time at which the Shareholder paid for or became liable to pay for the Open Offer Units until the Open Offer Shares are disposed of. Indexation allowance is not available to create or increase any loss.

Open Offer Units subscribed for under the Open Offer in excess of a Shareholder's *pro rata* entitlement will be treated as a separate acquisition from his existing holding of Ordinary Shares for the purposes of UK taxation of chargeable gains.

A Shareholder who is not UK resident will not be subject to UK tax on a gain arising on a subsequent disposal of Open Offer Units unless either (i) the Shareholder carries on a trade, profession or vocation in the UK through a branch, permanent establishment or agency and, broadly, holds the Open Offer Units for the purposes of the trade, profession, vocation, branch, permanent establishment or agency or (ii) the Shareholder falls within the anti-avoidance rules applying to temporary non-residents.

#### **Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

No UK stamp duty or UK SDRT should be payable on the allotment or issue of Open Offer Shares.

The conveyance or transfer on sale of Open Offer Shares will usually be subject to UK stamp duty, normally at the rate of 0.5% (rounded up to the nearest multiple of £5) of the amount or value of the consideration paid. In the UK stamp duty is normally paid by the purchaser. A charge to UK SDRT at the rate of 0.5% of the amount or value of the consideration paid will arise in relation to an unconditional agreement to transfer Open Offer Shares. UK SDRT is a liability of the purchaser. However, if within six years of the date of the agreement (or, if the agreement was conditional, the date on which the agreement became unconditional) a share transfer is executed pursuant to the agreement and is duly stamped, the stamping of the transfer will normally cancel the UK SDRT liability. Any SDRT already paid will be refunded.

There will be no UK stamp duty or UK SDRT on a transfer of Open Offer Shares into CREST where such a transfer is made for no consideration. A transfer of Open Offer Shares effected on a paperless basis through CREST will generally be subject to UK SDRT at the rate of 0.5% of the amount or value of the consideration paid. Euroclear UK & Ireland will collect UK SDRT on relevant transactions settled through and CREST and will account for the SDRT to HM Revenue and Customs.

There is no UK stamp duty and/or SDRT on transfers of securities that are admitted to trading on a "recognised growth market", including AIM (and not "listed" on a recognised stock exchange). This measure has effect:

- (i) for stamp duty purposes, in relation to any instrument which was executed on or after 28 April 2014:
  - (a) in pursuance of an agreement made on or after that date; or (b) a conditional agreement made before that date where the condition is satisfied on or after that date; and
  - (c) any instrument which is not executed in pursuance of a contract and is executed on or after that date; and
- (ii) for SDRT purposes, in relation to any agreement to transfer securities where the agreement is conditional, if the condition was satisfied on or after 28 April 2014 and in any other case, if the agreement is made on or after that date.

#### **Taxation of Dividends**

No UK tax will be withheld by the Company when it pays a dividend.

A UK resident individual Shareholder who receives a dividend from the Company will be entitled to a UK tax credit, currently at the rate of 1/9th of the cash dividend paid (or 10% of the aggregate of the net dividend and related tax credit). The individual is treated as receiving for tax purposes gross income equal to the cash dividend plus the tax credit. The tax credit is set against the individual's UK tax liability on that gross income.

An individual Shareholder who is not liable to UK income tax at a rate greater than the basic rate is subject to the lower rate of UK income tax on dividend income (currently 10%) and will therefore have no UK income tax to pay in respect of the dividend. The higher rate of income tax on dividends is currently 32.5% and the additional rate of income tax on dividends is currently 37.5%.

This means that a Shareholder who is a higher (but not additional rate) rate taxpayer will, after taking into account the tax credit, pay tax at the rate of 25% of the cash dividend and an additional rate taxpayer will, after taking into account the tax credit, pay tax at the rate of 30.6% of the cash dividend.

UK resident Shareholders who do not pay UK income tax or whose liability to UK income tax on the dividend and related tax credit is less than the tax credit, including pension funds, charities and certain individuals, are not generally entitled to claim repayment of any part of the tax credit associated with the dividend from HM Revenue and Customs.

Most UK resident corporate Shareholders should be able to receive dividends on a tax free basis (regardless of the source of that dividend) providing certain conditions are met.

A non-UK resident Shareholder may be subject to foreign taxation on dividend income.

## **7. Overseas Shareholders**

### *(a) General*

**The distribution of this circular and the Application Form and the making or acceptance of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer. The comments set out in this section 7 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.**

No action has been or will be taken by the Company or any other person, to permit a public offering or distribution of this circular (or any other offering or publicity materials or Application Form(s)) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

Application Forms will not be sent to and Basic Entitlements and Excess Entitlements will not be credited to a stock account in CREST of Non-Eligible Shareholders or persons with registered addresses in a Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this circular and/or an Application Form and/or a credit of Basic Entitlements and/or a credit of Excess Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her nor should he or she in any event use any such Application Form and/or credit of Basic Entitlements and/or credit of Excess Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Basic Entitlements and/or credit of Excess Basic Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this circular and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory. Neither the Company nor any of its respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this circular and/or an Application Form and/or a credit of Basic Entitlements and/or a credit of Excess Entitlements to a stock account in CREST in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Basic Entitlements or Excess Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this circular and/or an Application Form and/or a credit of Basic Entitlements and/or a credit of Excess Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company determines that such action would not violate applicable legal or regulatory requirements.

Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this circular and/or an Application Form and/or transfers Basic Entitlements and/or Excess Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part III and specifically the contents of this section 7.

The Company reserves the right, but shall not be obliged, to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or, in the case of a credit of a Basic Entitlement and/or an Excess Entitlement to a stock account in CREST, to a member whose registered address would be in a Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Overseas Shareholders is drawn to sections 7(b) to 7(e) below.

Notwithstanding any other provision of this circular or the Application Form, the Company reserves the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or banker's drafts. The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this circular or the Application Form into any Restricted Jurisdiction or to any Non-Eligible Shareholders. Receipt of this circular and/or an Application Form and/or a credit of an Basic Entitlement and/or a credit of Excess Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this circular and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

*(b) United States*

None of the Open Offer Shares, the Basic Entitlements or the Excess Entitlements has been or will be registered under the US Securities Act or the laws of any state or other jurisdiction of the

United States and, therefore, the Open Offer Shares, the Basic Entitlements and the Excess Entitlements may not be, directly or indirectly, offered, sold, taken up, delivered, renounced or transferred in or into the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States and, subject to certain exceptions, none of this circular, the Application Forms or the crediting of Basic Entitlements or Excess Entitlements to a stock account in CREST constitutes or will constitute an offer or an invitation to apply for an offer or an invitation to subscribe for any Open Offer Shares in the United States. Neither this circular nor an Application Form will (unless an address within the United Kingdom for services of notices has been notified to the Company) be sent to, and no Basic Entitlements or Excess Entitlements will be credited to, a stock account in CREST of any Eligible Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from, or post-marked in, the United States will be deemed to be invalid and all persons subscribing for Open Offer Shares and wishing to hold such Open Offer Shares in registered form must provide an address for registration of the Open Offer Shares outside the United States.

*(c) Other Restricted Jurisdictions*

Due to restrictions under the securities laws of the other Restricted Jurisdictions and subject to certain exemptions, Eligible Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, a Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form, nor will their stock accounts in CREST be credited with Basic Entitlements or Excess Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this circular or the Application Forms into any Restricted Jurisdiction.

*(d) Other overseas jurisdictions*

Application Forms will be sent to Eligible Non-CREST Shareholders and a Basic Entitlement will be credited to the stock account in CREST of Eligible CREST Shareholders in other overseas jurisdictions. Eligible Shareholders in jurisdictions other than any Restricted Jurisdiction may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this circular and, if relevant, the Application Form.

Eligible Shareholders who have registered addresses in or who are located or resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for Open Offer Shares in respect of the Open Offer.

*(e) Representations and warranties relating to Overseas Shareholders*

*(i) Eligible Non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company and/or the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction:

- (i) such person is not requesting registration of the relevant Open Offer Shares from within a Restricted Jurisdiction;
- (ii) such person is not a US Person or a resident of, or located in, any Restricted Jurisdiction or in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it;



- (iii) such person is not acting on a non-discretionary basis on behalf of, a person located within a Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and
- (iv) such person is not subscribing for Open Offer Shares with a view to the offer, sale, re-sale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into a Restricted Jurisdiction or any territory referred to in (ii) above.

The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it:

- (i) appears to the Company or its agents to have been executed, effected or despatched from a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements;
- (ii) provides an address in any Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or
- (iii) purports to exclude the warranty required by this paragraph 7(e)(i).

*(ii) Eligible CREST Shareholders*

A CREST member who makes a valid application either on its own behalf or on behalf of one of its clients in accordance with the procedures set out in this Part III represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction:

- (i) neither it nor its client is within a Restricted Jurisdiction;
- (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares;
- (iii) it is not accepting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within a Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and
- (iv) neither it nor its client is subscribing for any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into a Restricted Jurisdiction, or any territory referred to in (ii) above.

The Company reserves the right to reject any USE instruction from a Restricted Jurisdiction or any territory referred to in (ii) above or by a CREST participant who is acting on a non-discretionary basis on behalf of a person located within a Restricted Jurisdiction or any territory referred to in (ii) above.

## **8. Admission, Settlement and Dealings**

Application will be made to both the London Stock Exchange and the JSE for the Open Offer Shares to be admitted to trading on AIM and AltX respectively. Subject to the Open Offer becoming unconditional in all respects, it is expected that Admission of the Open Offer Shares will become effective and that dealings in the Open Offer Shares will commence at 8.00 a.m. on 7 July 2015.

Basic Entitlements and Excess Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 3 July 2015 (the latest date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied (expected to be 3 July 2015). On this day, Computershare will instruct Euroclear UK & Ireland to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be 7 July 2015). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this circular, the Company reserves the right to send you an Application Form instead of crediting the relevant stock account with Basic Entitlements and

Excess Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by Computershare in connection with CREST.

For Eligible Non-CREST Shareholders who have applied by using an Application Form, share certificates in respect of the Open Offer Shares validly applied for are expected to be dispatched by post by 14 July 2015. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the register. All documents or remittances sent by or to Applicants or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Eligible Non-CREST Shareholders are referred to the Application Form.

#### **9. Governing law and jurisdiction**

The terms and conditions of the Open Offer as set out in this circular shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this circular, Eligible Shareholders irrevocably submit to the jurisdiction of the courts of England and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

#### **10. Further information**

The attention of Eligible Non-CREST Shareholders is drawn to the terms and conditions set out in the enclosed Application Form.

**Dated: 17 June 2015**



