

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, to this cover.

ACTION REQUIRED BY AVENG SHAREHOLDERS

- Aveng Shareholders are referred to page 1 of this Circular, which sets out the action required of them with regards to matters set out in this Circular.
- If you are in any doubt as to what action you should take, you should consult your CSDP, Broker, banker, legal advisor, accountant or other professional advisor immediately.
- If you have disposed of all of your Aveng Shares, please forward this Circular together with the Notice of General Meeting, to the purchaser of your Aveng Shares, or the CSDP or Broker or agent through whom the disposal was effected.

Aveng does not accept responsibility, and shall not be held liable, for any action of, or omission by, any CSDP or Broker or agent including, without limitation, any failure on the part of CSDP or broker or agent of any beneficial owner of Aveng's Shares to notify such beneficial owner of the details set out in this Circular.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and this Circular and Form of Instruction should not be forwarded or transmitted to any person in any territory other than where it is lawful to make such an offer.

No action has been taken by Aveng to obtain any approval, authorisation or exemption to permit the issue of Rights Offer Shares or the possession or distribution of this Circular (or any other publicity material relating to the Rights Offer Shares) in any jurisdictions other than South Africa. Foreign Shareholders should refer to **Annexure 4** of this Circular for further details in this regard.

Only whole numbers of Ordinary Shares will be issued in terms of the Rights Offer and Shareholders will be entitled to rounded numbers of shares once the ratio of entitlement has been applied. Excess applications will not be allowed.

CIRCULAR TO AVENG SHAREHOLDERS



Providing a better life

AVENG LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1944/018119/06)
Share code on the JSE: AEG | ISIN: ZAE000111829
("Aveng" or "the Company")

relating to:

- **a fully co-underwritten renounceable Rights Offer to Qualifying Shareholders in respect of 6 666 666 668 Rights Offer Shares at an issue price of 1.5 cents per Rights Offer Share, in the ratio of 11.47941 Rights Offer Shares, for every 100 Aveng Shares held at the close of trade on Friday, 21 May 2021,**

and enclosing:

- **a Form of Instruction in respect of a Letter of Allocation (to be completed by holders of Certificated Shares only).**

Rights Offer opens on 09:00 on

Monday, 24 May 2021

Rights Offer closes at 12:00 on

Friday, 4 June 2021

Date of issue: Monday, 17 May 2021

JSE Sponsor



Legal Advisor



Transaction Advisor



CORPORATE INFORMATION AND ADVISORS

Company secretary

Edinah Mandizha
3rd Floor
10 The High Street
Melrose Arch
Gauteng, 2076
(PO Box 6062, Rivonia, 2128)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg, 2196
(Private Bag X9000, Saxonwold, Johannesburg,
Gauteng, 2132)

Transaction Advisor

DG Capital Proprietary Limited
68 St Andrew Street
Birdhaven
Johannesburg, 2196
(PO Box 3061 Houghton 2041)

Date of incorporation of Aveng

22 November 1944

Place of incorporation of Aveng

South Africa

This Circular is available in English only. Copies may be obtained from the registered office of the Company and the Transfer Secretaries at the addresses set out above. Shareholders will be able to access the Circular at <https://www.aveng.co.za>.

Registered office and business address

3rd Floor
10 The High Street
Melrose Arch
Gauteng, 2076
(PO Box 6062, Rivonia, 2128)

Legal advisers

Baker & McKenzie Incorporated
1 Commerce Square
39 Rivonia Road
Sandhurst
Johannesburg, 2196

Sponsor

UBS South Africa Proprietary Limited
144 Oxford Road
8th Floor South Wing
Melrose
Johannesburg
2196
(PO Box 522194, Saxonwold, Rosebank, 2196)

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ACTION REQUIRED BY SHAREHOLDERS

If you are in any doubt as to what action you should take, you should consult your Broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

If you have disposed of all your Aveng Shares, please forward this Circular, together with the enclosed Form of Instruction, to the purchaser of such Aveng Shares or the Broker, CSDP or other agent through whom you disposed of such Aveng Shares. This Circular and Form of Instruction should not be forwarded to any person in any territory other than South Africa unless the Rights Offer can lawfully be made to such person or in such territory.

ACTION REQUIRED BY CERTIFICATED SHAREHOLDERS

A Form of Instruction for completion by Qualifying Shareholders who hold Certificated Shares is enclosed with this Circular and the relevant procedure for participation in the Rights Offer is set out below.

If you are a Qualifying Shareholder holding Certificated Shares and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it, together with the proof of EFT payment of the amount due in ZAR and the EFT swift reference number (EFT to be made into the Designated Bank Account, details of which are available from the corporate actions department of the Transfer Secretaries at 0861 100 634 if calling from within South Africa; +27 11 370 5000 if calling from outside South Africa; or via email at corporate.events@computershare.co.za), with the Transfer Secretaries as follows:

By electronic mail:

Aveng Limited – Rights Offer

c/o Computershare Investor Services Proprietary Limited
Email: corporate.events@computershare.co.za:

By post to:

Aveng Limited – Rights Offer

c/o Computershare Investor Services Proprietary Limited Private Bag X9000, Saxonwold
Johannesburg, 2132;

By hand to:

Aveng Limited – Rights Offer

c/o Computershare Investor Services Proprietary Limited
Ground Floor
1st Floor Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg,

so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 4 June 2021.

Qualifying Shareholders are reminded of the postal restrictions resulting from COVID-19 and are advised that the preferred means to lodge their Forms of Instruction and proof of EFT payment with the Transfer Secretaries is by way of electronic mail. Lodgment by post shall be at the risk of the Qualifying Shareholder

The Transfer Secretaries will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any email address other than that provided above. Forms of Instruction shall be deemed to be received on the date reflected in the Transfer Secretaries' electronic system. Notwithstanding anything to the contrary, it is the responsibility of all Shareholders to ensure that their Form of Instruction is received by the Transfer Secretaries.

Aveng and the Transfer Secretaries accept no responsibility and will not be held liable for any allocation of Rights Offer Shares pursuant to payment being made or alleged to have been made by way of electronic transfer and where proof of such payment has not been received or purported proof of such payment being insufficient or defective for Aveng and the Transfer Secretaries, for any reason, not being able to reconcile a payment or purported payment with a particular application for Rights Offer Shares.

In order to comply with legislative requirements, the Rights Offer Shares may only be issued in Dematerialised form.

If the required documentation and payment have not been received in accordance with the instructions contained in the enclosed Form of Instruction by 12:00 on Friday, 4 June 2021, then the Rights to those unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer entitlement will lapse.

If you have any queries in relation to the action required by Certificated Shareholders, please contact the Transfer Secretaries' helpline via email at corporate.events@computershare.co.za or telephonically on 0861 100 634 if calling from within South Africa and on +27 11 370 5000 if calling from outside of South Africa. Calls made from within South Africa will be charged at the standard geographic rate and will vary by provider. Calls made from outside of South Africa will be charged at the applicable international rates. Alternatively, you may send an email to returnmycall@computershare.co.za or, if in South Africa, dial *134*20011#. The helpline will be operational between 08:00 and 16:00 (South African time) from Monday to Friday, excluding public holidays in South Africa.

ACTION REQUIRED BY DEMATERIALISED SHAREHOLDERS

If you are a Qualifying Shareholder and have Dematerialised your Aveng Shares, you will not receive a printed Form of Instruction and you should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer.

Your CSDP or Broker will credit your account with the number of Rights to which you are entitled and will contact you to ascertain whether you wish to follow your Rights in terms of the Rights Offer and, if so, in respect of how many Rights Offer Shares, or if you wish your Rights to lapse.

Rights not exercised will be deemed to have been declined and will lapse and you will not receive any economic benefit in respect of such lapsed Rights.

CSDPs effect payment in respect of Qualifying Shareholders who have Dematerialised their Aveng Shares on a delivery *versus* payment basis. You must ensure that you have sufficient funds in your account to settle the aggregate Rights Offer Price payable in respect of the Rights Offer Shares for which you wish to subscribe.

If you are a Qualifying Shareholder holding Dematerialised Shares and wish to follow your Rights in respect of the Rights Offer, you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or Broker. If you are not contacted, you should proactively contact your CSDP or Broker and provide them with your instructions. If your CSDP or Broker does not obtain instructions from you, they are obliged to act in terms of the mandate granted to them by you, or if the mandate is silent in this regard, not to subscribe for Rights Offer Shares in terms of the Rights Offer.

DISCLAIMER

All transactions arising from the provisions of this Circular and the Form of Instruction shall be governed by and be subject to the laws of South Africa.

The Rights Offer will not constitute an "offer to the public"; as envisaged in Chapter 4 of the Companies Act and accordingly this Circular does not, nor does it intend to, constitute a "registered prospectus"; as contemplated in Chapter 4 of the Companies Act.

Should any person who is not a Shareholder receive this Circular they should not and will not be entitled to acquire any Aveng Shares or Letters of Allocation or otherwise act thereon.

This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer. In those circumstances or otherwise if the distribution of this Circular and any accompanying documentation in jurisdictions outside of South Africa are restricted or prohibited by the laws of such jurisdiction, this Circular and any accompanying documentation are deemed to have been sent for information purposes only and should not be copied or redistributed.

Aveng does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, to this section (unless specifically defined where used or the context indicates a contrary meaning).

2021

Declaration date	Tuesday, 11 May
Finalisation announcement released on SENS (before 11:00), on	Thursday, 13 May
Circular to be published on Aveng website	Monday, 17 May
Last day to trade in shares in order to participate in the Rights Offer (<i>cum entitlement</i>)	Tuesday, 18 May
Shares commence trading ex-entitlement at 09:00 on	Wednesday, 19 May
Listing of and trading in the Letters of Allocation under code AEGN and ISIN ZAE 000298147 on the JSE commences at 09:00 on	Wednesday, 19 May
Circular and a Form of Instruction, where applicable, posted to Qualifying Certificated Shareholders on	Thursday, 20 May
Record Date at 17:00 on	Friday, 21 May
Rights Offer opens at 09:00 on	Monday, 24 May
In respect of Qualifying Certificated Shareholders, Letters of Allocation credited to an electronic account held with the Transfer Secretaries at 09:00 on	Monday, 24 May
Circular emailed to Qualifying Dematerialised Shareholders	Monday, 24 May
In respect of Qualifying Dematerialised Shareholders, CSDP or Broker accounts credited with Letter of Allocation at 09:00 on	Monday, 24 May
Last day to lodge Form of Instruction with the Transfer Secretaries in respect of Qualifying Certificated Shareholders (or their renounees) wishing to sell all or some of their Letters of Allocation by (12:00) on	Tuesday, 1 June
Last day to trade Letters of Allocation on the JSE	Tuesday, 1 June
Listing of Rights Offer Shares and trading therein on the JSE commences at 09:00 on	Wednesday, 2 June
Rights Offer closes at 12:00 on	Friday, 4 June
Payment to be made and Form of Instruction to be lodged with the Transfer Secretaries by Qualifying Certificated Shareholders wishing to renounce or subscribe for all or part of their entitlement at 12:00 on	Friday, 4 June
Record date for Letters of Allocation on	Friday, 4 June
Rights Offer Shares issued on	Monday, 7 June
In respect of Qualifying Dematerialised Shareholders (or their renounees), CSDP or Broker accounts debited with the aggregate Rights Offer Price and updated with Rights Offer Shares at 09:00 on	Monday, 7 June
In respect of Qualifying Certificated Shareholders (or their renounees), share certificates in respect of Rights Offer Shares posted on or about	Monday, 7 June
Results of the Rights Offer announced on SENS on	Monday, 7 June

Notes:

1. If you are a Qualifying Dematerialised Shareholder you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between yourself and your CSDP or Broker.
2. CSDPs effect payment on a delivery versus payment method in respect of Qualifying Dematerialised Shareholders.
3. Shareholders may not Dematerialise or rematerialise their Ordinary Shares between Wednesday, 19 May 2021, and Friday, 21 May 2021, both dates inclusive.
4. All times are South African times.
5. Share certificates will be posted by registered post at the risk of the Qualifying Certificated Shareholders (or their renounees).

DEFINITIONS AND INTERPRETATIONS

Throughout this Circular, unless the context indicates otherwise, the words in the column on the left below shall have the meaning stated opposite them in the column on the right below, reference to the singular shall include the plural and *vice versa*, words denoting one gender include the other and words and expressions denoting natural persons include juristic persons and associations of persons:

"Act" or "Companies Act"	Companies Act, No. 71 of 2008, as amended;
"Authorised Dealer"	a person authorised to deal in foreign exchange as contemplated in the Exchange Control Regulations;
"Aveng Class A Shares"	unlisted, A class, no par value, non-voting convertible shares in the share capital of Aveng, that rank <i>pari passu</i> with the Aveng Ordinary Shares in all other respects;
"Aveng Ordinary Shares"	ordinary no par value share in the share capital of Aveng;
"Aveng Shares"	includes Aveng Class A Shares and/or Aveng Ordinary Shares;
"Board"	the board of Directors, which, as at the Last Practicable Date, comprised the persons whose names appear on page 8 of this Circular;
"Business Day"	any day other than Saturday, Sunday or any official public holiday in South Africa;
"Certificated Shareholders"	holders of Certificated Shares;
"Certificated Shares"	Aveng Shares that have not been Dematerialised, the title to which is represented by a share certificate or other Document of Title;
"Circular"	this bound document, dated Monday, 17 May 2021 including the annexures hereto;
"Common Monetary Area"	consists of Lesotho, Namibia, South Africa and Swaziland;
"CSDP"	a central securities depository participant, being a participant as defined in section 1 of the Financial Markets Act, appointed by a Shareholder for purposes of, and in regard to, Dematerialisation and to hold and administer securities or an interest in securities on behalf of a Shareholder;
"Designated Bank Account"	the bank account, the details of which will be provided on request from the corporate actions department of the Transfer Secretaries, contactable during ordinary business hours on 0861 100 634 if calling from within South Africa and on +27 11 370 5000 if calling from outside of South Africa;
"Dematerialisation" or "Dematerialised" or "Dematerialise"	the process by which Certificated Shares are converted to or held in electronic form as uncertificated securities and recorded in a sub-register of securities holders maintained by a CSDP, after the Documents of Title have been validated and cancelled by the Transfer Secretaries and captured onto the Strate system by the selected CSDP or Broker, and the holding of securities is recorded electronically;
"Dematerialised Shareholders"	holders of Dematerialised Shares;
"Dematerialised Shares"	Aveng Shares which have been through the Dematerialisation process;
"Directors"	directors of Aveng, being both non-executive and executive directors;
"Documents of Title"	share certificates, certified transfer deeds, balance receipts, or any other documents of title to Shares;
"EFT"	electronic funds transfer;

“Exchange Control Regulations”	Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the South African Currency and Exchanges Act, No. 9 of 1933, as amended;
“Financial Markets Act”	Financial Markets Act, No. 19 of 2012, as amended;
“Foreign Shareholders”	Shareholders that are registered in a jurisdiction outside of South Africa, or who are resident, domiciled or located in, or who are citizens of, a jurisdiction other than South Africa;
“Form of Instruction”	a form of instruction in respect of a Letter of Allocation as attached to this Circular;
“Group”	Aveng and its subsidiaries;
“Highbridge Funds”	means Highbridge TCF and/or Highbridge SCF and any other funds managed by Highbridge Capital Management LLC, which is an indirect, wholly-owned subsidiary of JP Morgan Chase & Co;
“Highbridge SCF”	Highbridge SCF Special Situations SPV, L.P., an asset management fund and exempted limited partnership duly incorporated under the laws of the Cayman Islands with a principal place of business at c/o HedgeServ (Cayman) Ltd., Willow House, Cricket Square 3rd Floor, George Town, Grand Cayman, KY1-1104, Cayman Islands, as managed by Highbridge Capital Management LLC;
“Highbridge TCF”	Highbridge Tactical Credit Master Fund, L.P., an asset management fund and exempted limited partnership duly incorporated under the laws of the Cayman Islands with a principal place of business at c/o HedgeServ (Cayman) Ltd., Willow House, Cricket Square 3rd Floor, George Town, Grand Cayman, KY1-1104, Cayman Islands, as managed by Highbridge Capital Management LLC;
“JSE”	the stock exchange operated by the JSE Limited;
“JSE Limited”	JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated with limited liability in accordance with the laws of South Africa and which is licensed to operate an exchange in terms of the Financial Markets Act;
“Last Practicable Date”	Friday, 14 May 2021, being the last practicable date prior to the finalisation of this Circular;
“Letter of Allocation”	a renounceable (nil paid) letter of allocation issued by the Company to Qualifying Shareholders in Dematerialised form, conferring a Right on the holder thereof which will be listed with the JSE;
“Listings Requirements”	Listings Requirements of the JSE, as amended from time to time by the JSE;
“March Rights Offer”	the co-underwritten renounceable rights offer by the Company which was launched at 09:00 on Monday, 1 March 2021 and closed on Friday, 12 March 2021;
“Non-qualifying Shareholders”	any Shareholder which has its registered address in any jurisdiction in which it would be unlawful to make the Rights Offer in respect of that Shareholder or would require Aveng to comply with any governmental or other consent or any registration, filing or other formality for that Shareholder to lawfully follow its Rights with which Aveng has not complied with;
“Qualifying Shareholders”	a registered holder of Aveng Shares on the Register of Shareholders of Aveng as at 17:00 on the Record Date for the Rights Offer and which is not a Non-qualifying Shareholder;

“Ratio of Entitlement”	the number of Rights Offer Shares to which Shareholders are entitled to subscribe for in terms of the Rights Offer, being 11.47941 Rights Offer Shares for every 100 Aveng Shares held on the Record Date for the Rights Offer, and/or such proportionate lower number of Aveng Shares in respect of a holding of less than 100 Aveng Shares held on the Record Date for the Rights Offer;
“Record Date for the Rights Offer”	the last day for Shareholders to be recorded in the Register in order to participate in the Rights Offer, being close of business on Friday, 21 May 2021;
“Register”	the register of Certificated Shareholders maintained by Aveng and the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs;
“Rights”	the entitlement to subscribe for Rights Offer Shares pursuant to the Rights Offer;
“Rights Offer”	the fully co-underwritten renounceable rights offer in terms of which Qualifying Shareholders are entitled to subscribe for the Rights Offer Shares;
“Rights Offer Share Price”	the price per Rights Offer Share to be offered to Shareholders in terms of the Rights Offer is 1.5 cents per Rights Offer Share;
“Rights Offer Shares”	up to 6 666 666 668 Aveng Shares that may be issued pursuant to the Rights Offer which includes as many Aveng Class A Shares as the Underwriters may require to be issued to them in the place of Aveng Ordinary Shares (at the Underwriters’ election) and the balance being Aveng Ordinary Shares;
“Shareholders”	holders of Aveng Shares;
“SENS”	Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Steyn Capital”	Steyn Capital Management Proprietary Limited (registration number: 2008/018143/07), a limited liability private company duly incorporated in South Africa, the ultimate beneficial owner of shares in which are Andre Steyn, Paul Anthony Farah, Jamie Lee Kent, James Richard Corkin and Bernard Nicolaas Griesel, including any funds owned, controlled and/or managed by Steyn Capital Management Proprietary Limited;
“Strate”	the settlement and clearing system used by the JSE, managed by Strate Proprietary Limited (registration number 1998/022242/07), a limited liability private company duly incorporated in South Africa;
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company incorporated in accordance with the laws of South Africa;
“Underwriters”	each of the Highbridge Funds and the Whitebox Funds, both of whom are “material shareholders” (as contemplated in the Listings Requirements) in the Company, and Steyn Capital;
“Underwriting Agreement”	the co-underwriting agreement entered into between Aveng and the Underwriters, dated 7 May 2021, in terms of which the Underwriters have irrevocably undertaken to follow all of their Rights and subscribe for all of the Rights Offer Shares to which they are entitled in terms of the Rights Offer as well as to subscribe for any Rights Offer Shares that are not taken up by the Shareholders and/or their renounees in terms of the Rights Offer, subject to a maximum underwritten amount of ZAR51 417 543 in respect of the Highbridge Funds, ZAR35 679 770 in respect of the Whitebox Funds and ZAR12 902 687 in respect of Steyn Capital;

"VAT"	Value Added Tax, payable in terms of the Value Added Tax Act, No. 89 of 1991, as amended;
"Whitebox Funds"	each of Whitebox Multi, Whitebox GT and any other funds managed by Whitebox Advisors LLC, an SEC registered investment adviser (majority owned by Robert Vogel, Paul Twitchell, Dyal Capital Partners II (A), L.P. and Dyal Capital Partners II (B), L.P.), to which Rights are assigned;
"Whitebox GT"	Whitebox GT Fund L.P., a Delaware limited partnership and with its registered office address at c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, as managed by Whitebox Advisors LLC;
"Whitebox Multi"	Whitebox Multi Strategy Partners L.P., a Cayman Islands exempted limited partnership and with its registered office address at PO Box 1348, 94 Solaris Avenue, Camana Bay, Grand Cayman KY1-1108 Cayman Islands, as managed by Whitebox Advisors LLC; and
"ZAR" and "cents"	South African Rand and cents, the official currency of South Africa.



Providing a better life

AVENG LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1944/018119/06)
Share code on the JSE: AEG | ISIN: ZAE000111829
("Aveng" or "the Company")

Executive Directors

SJ Flanagan (Group Chief Executive Officer)
AH Macartney (Group Financial Director)

Independent Non-executive Directors

PA Hourquebie (Chair)
MA Hermanus (Lead independent non-executive)
MJ Kilbride
B Modise

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION

- 1.1** Shareholders are referred to the SENS announcement made by the Company on Tuesday, 23 March 2021 and the circular issued on Tuesday, 6 April 2021, in terms of which the Company reported the successful completion of a ZAR300 million co-underwritten rights offer ("**March Rights Offer**") and debt restructure transaction on 23 March 2021 and following which, the Company sought the approval of the Shareholders to, *inter alia*, issue the Rights Offer Shares at an extraordinary general meeting which was held on Wednesday, 5 May 2021, which approval was granted by the Shareholders, as set out in the results announcement of the extraordinary general meeting which was issued by the Company on Wednesday, 5 May 2021.
- 1.2** As previously announced on Tuesday, 23 March 2021, the Company had sought out to raise an amount of ZAR300 million pursuant to the March Rights Offer, however, Shareholders demonstrated a higher than anticipated interest in the March Rights Offer, resulting in the raising of ZAR392 million. The additional capital received by the Company in the March Rights Offer was not anticipated at the time of developing the balance sheet restructure plan for the Company, when only limited capital was available in an uncertain market with limited appetite. As a result of the additional capital received, there is surplus capital available to the Company from certain of its major Shareholders which capital the Company wishes to access through the Rights Offer.

2. RATIONALE AND USE OF PROCEEDS

Following the greater than anticipated interest in the co-underwritten renounceable rights offer launched by the Company in March 2021, certain Shareholders have indicated their willingness to provide further capital to support the Company. This additional capital was not anticipated at the time of developing the recapitalisation and balance sheet restructure plan when only limited capital was available, in an uncertain market, with limited appetite. Such additional capital would provide the Company with the opportunity to further solidify its balance sheet and provide the capital to accelerate its business plan and explore growth opportunities which will provide attractive returns, mainly in the Moolmans business.

3. PARTICULARS OF THE RIGHTS OFFER

3.1 Terms of the Rights Offer

- Aveng hereby offers the Qualifying Shareholders the Rights Offer Shares for subscription, upon the terms and conditions set out in this Circular and the attached Form of Instruction, by way of renounceable Rights, at a subscription price of 1.5 cents per Rights Offer Share on the basis that 11.47941 Rights Offer Shares for every 100 Aveng Shares held by Qualifying Shareholders at the close of trade on the Record Date for the Rights Offer. If fully subscribed, Aveng will raise an amount of ZAR100 000 000 in terms of the Rights Offer.
- The subscription price represents a discount of 55.7% to the 30-day volume weighted average traded price of the Aveng Ordinary Shares being 3.17 cents per Aveng Ordinary Share as at the close of business on 23 March 2021 being the date on which the Rights Offer was announced.
- Qualifying Shareholders recorded in the Register of Aveng at the close of business on Friday, 21 May 2021, will be entitled to participate in the Rights Offer.
- The enclosed Form of Instruction contains details of the Rights to which holders of Certificated Shares are entitled, as well as the procedure for acceptance of all or part of those Rights. Holders of Dematerialised Shares will be advised of the Rights to which they are entitled as well as the procedure for acceptance of all or part of those Rights by their CSDP or broker in terms of the custody agreement entered into between the Shareholder and his/her/its CSDP or Broker, as the case may be.
- The subscription price is payable in full, in ZAR, by Qualifying Shareholders holding Certificated Shares on the acceptance of the Rights Offer. CSDPs will make payment, on delivery *versus* payment basis, in respect of Qualifying Shareholders holding Dematerialised Shares who have accepted the Rights Offer. Qualifying Shareholders holding Dematerialised Shares who have accepted the Rights Offer must ensure that the necessary funds are deposited with the relevant CSDP or Broker, as the case may be.
- The Rights Offer is co-underwritten as detailed in paragraph 3.7 of this Circular.

3.2 Opening and closing dates of the Rights Offer

The Rights Offer will open at 09:00 on Monday, 24 May 2021, and will close at 12:00 on Friday, 4 June 2021.

3.3 Entitlement

The table of entitlement illustrating the number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out in **Annexure 1** to this Circular. The entitlement of each Qualifying Shareholder is reflected in the appropriate block of the Form of Instruction, which is enclosed with this Circular. If you are a Qualifying Shareholder and hold Dematerialised Shares, you will not receive a printed Form of Instruction. Qualifying Shareholders holding Dematerialised Shares will have their accounts automatically credited with their entitlements in accordance with **Annexure 1**.

3.4 Fractional entitlement

The number of Rights to subscribe for Rights Offer Shares to which Qualifying Shareholders will become entitled will be determined by the Ratio of Entitlement. Only whole numbers of Rights Offer Shares will be issued and Shareholders will be entitled to subscribe for rounded numbers of Rights offer Shares once the Ratio of Entitlement has been applied. Fractional entitlements of 0.5 or greater will be rounded up and less than 0.5 will be rounded down.

3.5 Holdings of odd lots in multiple other than 100 Aveng Ordinary Shares

Qualifying Shareholders holding less than 100 Aveng Ordinary Shares, or not holding a whole multiple of 100 Aveng Shares will be entitled, in respect of such holdings, to participate in the Rights Offer in accordance with the Table of Entitlement in **Annexure 1** to this Circular.

3.6 Minimum subscription

The Rights Offer is not conditional on any minimum subscription being obtained.

3.7 Underwriting

- The Rights Offer will be fully co-underwritten by the Underwriters, who have irrevocably undertaken to take up their *pro rata* portion of the Rights Offer Shares and to underwrite the take-up of non-participating Shareholders in the aggregate amount of up to ZAR51 417 543 in respect of the Highbridge Funds, ZAR35 679 770 in respect of the Whitebox Funds and ZAR12 902 687 in respect of Steyn Capital, with no minimum subscription being required by any of them.
- The table below sets out the number of Aveng Ordinary Shares and the number of Aveng Class A Shares that will be issued to the Underwriters in certain scenarios. The actual number of Aveng Ordinary Shares and Aveng Class A Shares that will be issued to the Underwriters will only be known once the Underwriters have all exercised their elections referred to in paragraph 3.8 of this Circular. The percentage of Aveng Ordinary Shares and A shares are calculated after the issue of the relevant shares under each potential scenario.

Scenario	No. of Aveng Ordinary Shares	% of issued Aveng Ordinary Shares	No. of A shares	% of issued A shares
No Shareholders follow Rights (other than Underwriters)				
Underwriters elect minimum number of Aveng Class A Shares	3 431 151 177	5.6	3 235 515 491	81.7
Underwriters elect maximum number of Aveng Class A Shares	0	0	6 666 666 668	90.2
All Shareholders follow Rights (including Underwriters)				
Underwriters elect minimum number of Aveng Class A Shares	2 626 643 195	4.4	83 275 812	10.3
Underwriters elect maximum number of Aveng Class A Shares	0	0	2 709 919 007	78.9

- In terms of the Underwriting Agreement the Underwriters will not receive a commitment or underwriting fee as it was agreed with the Underwriters that no further underwriting fee will be payable as this is a follow on Rights Offer following upon the March Rights Offer in a short period of time. Accordingly, the original underwriters who have agreed to underwrite this Rights Offer are not required to commit beyond what was committed in the March Rights Offer. As such the underwriting fee paid in the March Rights Offer underwrite would be deemed to be sufficient for purposes of this follow on Rights Offer. Further, Steyn Capital has agreed not to receive a commitment or underwriting fee.
- In light of no commitment or underwriting fee being charged for the underwriting of the Rights Offer by the Underwriters, the independent non-executive directors of the Board do not have to express an opinion on the fees due to the Underwriters with reference to the current market rate charged by independent underwriters in similar circumstances.
- The Board, after due and careful enquiry are of the opinion that the Underwriters have sufficient resources to meet their financial commitments in terms of the Underwriting Agreement.
- No securities are offered as a preferential right to any person, other than as contemplated by virtue of the Rights Offer.
- Sworn affidavits deposed to by at least two directors of each Underwriter have been provided, which confirm that they each have the financial resources to meet their commitments in terms of the Underwriting Agreement.
- Further particulars of the Underwriters are set out in **Annexure 2** to this Circular.

3.8 Issue of Aveng Class A Shares to Underwriters only

Certain of the Underwriters are subject to equity ownership limitations. The Highbridge Funds are collectively subject to a limitation of 19.9% and the Whitebox Funds are collectively subject to a limitation of 24.9%. The Highbridge Funds currently hold 19.90% of the Aveng Ordinary Shares in issue and a number of Aveng Class A Shares and the Whitebox Funds currently hold 14.69% of the Aveng Ordinary Shares in issue. Each Underwriter, will therefore (in terms of the Underwriting Agreement) be entitled to elect to subscribe for any combination of Aveng Ordinary Shares and/or Aveng Class A Shares up to their respective underwriting value in order to be able to underwrite the full value of the Rights Offer.

3.9 Excess applications

There will be no provision for excess applications.

3.10 Procedures for acceptance

- If you are a Qualifying Shareholder holding Certificated Shares and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it together with payment of the subscription price with the Transfer Secretaries at the addresses set out in the inside cover of this Circular, so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 4 June 2021. Once received by the Transfer Secretaries, the acceptance is irrevocable and may not be withdrawn.
- If payment is not received on or before 12:00 on Friday, 4 June 2021, the day of the closing of the Rights Offer, the Qualifying Shareholder will be deemed to have declined the Rights Offer and to subscribe for Rights Offer Shares pursuant to the Rights Offer.
- Qualifying Shareholders holding Certificated Shares are reminded of the postal restrictions resulting from COVID-19 and are advised that all Letters of Allocation will only be accepted via email. Accordingly, Qualifying Shareholders are advised to deliver their completed Forms of Instruction together with their proof of EFT payment and EFT swift reference number by electronic mail to the Transfer Secretaries as set out in the enclosed Form of Instruction and in accordance with the provisions of the section of this Circular titled "Action Required by Shareholders".
- If you are a Qualifying Shareholder and have Dematerialised your Ordinary Shares you will not receive a printed Form of Instruction. You should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer.
- If you are a Qualifying Shareholder holding Dematerialised Shares and wish to follow your Rights in respect of the Rights Offer, you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or Broker.
- Foreign Shareholders are referred to **Annexure 4**.
- **Aveng does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares.**

3.11 Payment

- **Payment by holders of Certificated Shares**
 - The amount due on acceptance of the Rights Offer is payable in ZAR.
 - **An EFT accompanied by an EFT swift reference number** (obtainable from Computershare Investor Services Proprietary Limited, at 0861 100 634 if calling from within South Africa; +27 11 370 5000 if calling from outside of South Africa; or via email at corporate.events@computershare.co.za), together with a properly completed Form of Instruction, should be clearly marked "Aveng Limited – Rights Offer", and emailed to:
Aveng Limited – Rights Offer
c/o Computershare Investor Services Proprietary Limited
corporate.events@computershare.co.za,
so as to be received by no later than 12:00 on Friday, 4 June 2021.

- Payments by way of cheques or bankers' drafts will not be accepted.
 - Money received in respect of an application that is rejected or otherwise treated as void by Aveng, or which is otherwise not validly received in accordance with the terms stipulated, will be refunded by way of EFT (without interest) in ZAR to the applicant concerned on or about Friday, 4 June 2021.
- **Payment by holders of Dematerialised Shares**
Payment will be effected on the Shareholder's behalf in ZAR by the CSDP or Broker. The CSDP or Broker will make payment in respect of Qualifying Shareholders holding Dematerialised Shares on a delivery *versus* payment basis.

3.12 PROCEDURES FOR SALE OR RENUNCIATION OF RIGHTS

- If you are a Qualifying Certificated Shareholder and do not wish to subscribe for all or part of the Rights Offer Shares to which you are entitled as reflected in the Form of Instruction, you may either dispose of or renounce all or part of your Letters of Allocation.
- If you wish to dispose of all or part of your Letters of Allocation, you must complete Form A in the enclosed Form of Instruction and return it to the Transfer Secretaries to be received by no later than 12:00 (SAST) on Tuesday, 1 June 2021. The Transfer Secretaries will endeavour to procure the sale of your Letters of Allocation on the JSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. **In this regard, neither the Transfer Secretaries nor Aveng will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising from the timing of such sales, the price obtained or the failure to dispose of such Letters of Allocation.**
- If you wish to renounce all or part of your Letters of Allocation in favour of any named renounee, you must complete Form B in the enclosed Form of Instruction, and the renounee must complete Form C in the enclosed Form of Instruction and return it to the Transfer Secretaries, to be received by no later than 12:00 (SAST) on Tuesday, 1 June 2021.
- If you are a Qualifying Dematerialised Shareholder and wish to dispose of or renounce some or all of your Letters of Allocation, you should make the necessary arrangements with your CSDP or Broker in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or Broker.

3.13 Exchange Control Regulations

- A summary of the application of the Exchange control Regulations is included in **Annexure 3**. It is noted that all aspects contained herein have been approved by the South African Reserve Bank.
- Shareholders are, however, advised to consult their professional advisors in respect of their obligations pursuant to the Exchange Control Regulations.

3.14 JSE Listings

The Issuer Regulation Division of the JSE has approved the listing of 6 666 666 668 Aveng Ordinary Shares comprising the Rights Offer Shares with effect from the commencement of trade on Wednesday, 2 June 2021. The Aveng Class A Shares will not be listed and to the extent that all of the aforesaid listed Aveng Ordinary Shares are not taken up and Aveng Class A Shares are issued in their place and stead to the Underwriters as contemplated in paragraph 3.8, the Company will apply for the de-listing of such listed but unissued Aveng Ordinary Shares.

3.15 Documents of title

- New share certificates to be issued to Qualifying Shareholders holding Certificated Shares who have opted to "rematerialise" their Dematerialised Rights Offer Shares to which they are entitled as contemplated in the section titled "Action Required By Shareholders", will be posted to persons entitled thereto, by registered post, at the risk of the Shareholders concerned, on or about Monday, 7 June 2021, provided that the Form of Instruction in respect thereof has been provided to the Transfer Secretaries before 12:00 on Friday, 4 June 2021.
- Qualifying Shareholders receiving the Rights Offer Shares must note that such Certificated Shares are not good for delivery in respect of future trades on the JSE until they have been Dematerialised.

- Qualifying Shareholders holding Dematerialised Shares who have applied for, and been allotted, Ordinary Shares under the Rights Offer will have their accounts updated with the Rights Offer Shares to which they are entitled and in respect of which they have accepted the Rights Offer, on Monday, 7 June 2021.

3.16 Taxation

Shareholders are advised to consult their tax and financial advisors regarding any taxation implications pertaining to them regarding the acceptance of their Rights in terms of the Rights Offer.

4. EXPENSES

It is estimated that Aveng's expenses relating to the Rights Offer will amount to approximately ZAR1 542 000. The expenses (excluding VAT) relating to the Rights Offer have been detailed below.

Nature of expense	Recipient	ZAR'000
JSE document inspection fee	JSE	32
JSE listing fee	JSE	90
Printing, publication and distribution	Ince	170
Legal advisor	Baker McKenzie	600
Transfer Secretaries	Computershare	150
Transaction advisor	DG Capital	500
Total		1 542

Other than as set out above, Aveng has incurred no preliminary expenses in relation to the Rights Offer during the three years preceding the date of this Circular all of which fees will be settled in cash.

5. OVERVIEW OF THE BUSINESS

5.1 History and nature of business

Aveng is a limited liability company incorporated and domiciled in South Africa whose shares are publicly traded. The Group operates in the construction, engineering and mining environments and as a result the revenue is not seasonal in nature but is influenced by the nature and execution of the contracts currently in progress.

The Group operates under two reportable segments including Construction and Engineering (Australia and Asia) and Mining and is in the process of disposing of its Manufacturing and Processing business divisions.

Core Operations

McConnell Dowell

McConnell Dowell is a selective tier one construction contractor, delivering projects in the infrastructure, resource and building sectors for clients in Australia, Southeast Asia, New Zealand and the Pacific Islands.

Moolmans

Moolmans is a South African-based leader in open cut, shaft sinking and underground contract mining throughout Africa, offering services across the mining value chain.

Non-core operations

Aveng is in the process of disposing of its non-core assets including Aveng Trident Steel and the Aveng Manufacturing businesses.

5.2 Overview of the business and prospects and opinion of the Board

For the first time since December 2014, Aveng reported positive headline earnings for the period ended 31 December 2020. Both core businesses, McConnell Dowell and Moolmans, delivered solid revenues, operating earnings and generated positive cash flows. This performance was underpinned by a focus on building long-term relationships with clients, resulting in repeat business and a consistent growth in work in hand.

Aveng reported the successful conclusion of the March Rights Offer and related debt restructure on Friday, 19 March 2021 and the following is a summary of the financial impact of the position of the Company following the implementation thereof:

- Shareholders demonstrated a much higher than anticipated interest in the March Rights Offer resulting in the raising of ZAR392 million of new capital, with Shareholders subscribing for ZAR278 million and the Underwriters taking up their fees and their minimum required subscription;
- ZAR232 million of the proceeds on the March Rights Offer was utilised to partially settle debt at a significant discount;
- certain lenders subscribed for ZAR396 million of new equity at 5 cents per Aveng Ordinary Share (compared to the March Rights Offer subscription price of 1.5 cents per rights offer share) in a specific issue of Aveng Ordinary Shares for cash and the proceeds thereof was used to settle debt;
- debt pursuant to the iNguza Investments (RF) Limited ZAR25 billion asset-backed note programme, was settled in full as part of the restructuring;
- the settlement of the Company's debt resulted in a gain of ZAR486 million;
- debt has reduced from ZAR2,1 billion as reported at 31 December 2020 by ZAR1,1 billion;
- a total of 37 955 034 249 new Aveng Ordinary Shares and 725 472 919 Aveng Class A Shares were issued in terms of the March Rights Offer and the various specific issues detailed in the circular to Shareholders dated Friday, 18 December 2020, bringing the total number of Aveng Ordinary Shares and Aveng Class A shares in issue to 58 075 005 387; and
- the Company now has ZAR161 million of additional liquidity.

The balance sheet restructuring provides a sustainable capital structure and a platform from which the Group is better able to execute its strategy.

The Board believes that it is in the best interests of Aveng and the Shareholders for the Directors to have the authority to issue the Rights Offer Shares (as may be required for, and pursuant to, the implementation of the proposed Rights Offer to Shareholders) to further solidify the Company's balance sheet and provide additional capital to accelerate its business plan and explore identified growth opportunities to provide attractive returns to Shareholders.

5.3 Material loans

The material loans of the Company are as set out in the reviewed interim condensed consolidated financial statements of the Company for the six months ended 31 December 2020 at note 11 and have been significantly reduced from ZAR2,1 billion to ZAR1,1 billion following the successful completion of the March Rights Offer and balance sheet restructure transaction as noted in paragraph 5.2 above. The remaining debt owing to the Company's South African lenders was renegotiated as part of the balance sheet restructure transaction and is repayable over a three-year term at more favourable rates. Aveng believes that the remaining debt is sustainable.

5.4 Litigation statement

The below sets out the position regarding the current formal legal claims instituted against the Group:

- Aveng Construction: South Africa, formerly known as the Aveng Grinaker-LTA operating group of Aveng Africa Proprietary Limited ("**Aveng Africa**") (a subsidiary of Aveng) is presently in dispute with its client for various matters including contractual claims relating to the extension of time, escalation, claims relating to an agreed penalty free period, a claim relating to defective workmanship, a claim relating to basement penalties, etc. The various claims are proceeding through the disputes process. Aveng has won the basement penalty arbitration. However, the client has won the 60-day penalty free arbitration although Aveng has taken that arbitration award on review. In addition, the client terminated the contract on 6 January 2020 and subsequently called on the guarantee of ZAR87 million, following which the issuer paid the client the guarantee amount and issued a letter of demand, claiming repayment from Aveng Africa. Aveng Africa has agreed to repay the issuer over 12 months starting at the end of June 2020. The final account report has been issued by the client, which Aveng Africa has disputed and intends to refer the

dispute to arbitration, subsequent to the finalisation of the abovementioned claims, as these claims have an impact of the final account dispute. The relevant claims have been considered by senior counsel and senior counsel has advised the course of action that Aveng Africa should take in disputing these matters.

- Aveng, in joint venture with its partner ("**ASJV**") terminated the contract with its client on 30 January 2019, which entitlement to terminate is disputed by the client. The client in turn terminated the contract in any event. The parties intend to refer the proceedings to adjudication, alternatively to the High Court. The ASJV appealed to the Supreme Court of Appeal of South Africa ("**SCA**") against the High Court's decision in respect of interdict proceedings following threats of the client to call on the performance bond for ZAR245 million and a retention guarantee for ZAR81 million. Judgment was handed down on 13 November 2020, in terms of which the SCA dismissed the appeal. The client has now called upon the performance guarantee in the amount of ZAR245 million (including VAT) and the retention bond in the amount of ZAR22.4 million. The issuer paid the performance guarantee on 23 December 2020 in the amount of ZAR213 million (excluding VAT) and paid the retention bond in the amount of ZAR22.4 million (excluding VAT) on 16 January 2021. Aveng will be liable for 50% of these amounts, with the remainder for the account of its joint venture partner. The issuer agreed that Aveng repays its 50% of the bond amounts over a 15-month period. It is noted that the client is obliged to indemnify ASJV for all losses, damages and expenses suffered by the ASJV to the extent that the client was not entitled to call on the bond and guarantee. Aveng has also recently been successful in its appeal of the High Court's decision to grant a spoliation order (which required the joint venture, if it is in control of such equipment, to return such equipment to site).
- In December 2014, a third party instituted action of between ZAR429.5 million and ZAR586 million as at 2010 (based on various calculation methodologies) against Aveng Africa and two other major contractors, for damages it alleges to have suffered as a result of the tendered contract sum for the construction of one of the world cup stadia, having allegedly been wrongfully and unlawfully inflated (as a result of collusive conduct). The claim has been evaluated, using external senior counsel and experts. An arbitration agreement has been signed between the parties to convert the High Court trial into an arbitration. The arbitration hearing has been moved out to three weeks starting mid-September 2021.
- A dispute remains ongoing with one of Aveng's contractors concerning various contractual claims related to the steel fabrication work which was undertaken as subcontract to the contractor. An adjudication dispute process was concluded in 2016 with an award in favour of Aveng. The contractor has not agreed the final account, has claimed ZAR207 million and Aveng continues to dispute the claim. In May 2020, the contractor wrote to Aveng instituting new claims for a total amount of ZAR64 million. Aveng has sourced external counsel and is of the opinion that the ZAR64 million claim forms part of the final account process, which commenced some 18 months ago. It is noted that two performance bonds and an advance payment bond are still in place for the relevant contract amounting to ZAR60.8 million. Senior counsel's recommended course of action is to continue with the dispute in respect of the final account.
- In June 2016, a third party instituted action against Aveng Africa for ZAR45.5 million as at 2009, for damages it alleges to have suffered as a result of an alleged unlawfully inflated tender price, which tender was awarded to a joint venture involving Aveng Construction: South Africa, formerly known as Aveng Grinaker-LTA. The claim has been evaluated, using internal and external counsel. In mid-2017, the parties agreed to rather refer the matter to arbitration. Mediation proceedings have taken place and in January 2019, Aveng communicated its position to the third party. No further response has been received from the third party to date and the third party has not taken any active steps to advance the matter to the arbitration phase.
- Aveng Construction: South Africa, formerly known as Aveng Grinaker-LTA, dismissed 79 staff members in 2015 as a result of the violent strike and other employees that signed a settlement agreement which affected project bonuses, implemented the no work no pay principle in relation to the strike and gave final warnings to employees, who could return to work. An arbitration tribunal was held and in the appeal, the arbitrators gave their decision in favour of the contractors and dismissing the claim brought by the National Union of Metalworkers of South Africa ("**NUMSA**") on behalf of its members. NUMSA has subsequently approached the Labour Court with three separate claims related to the employees that were dismissed as a result of the strike. Aveng continues to defend the matter in the Labour Court and the matter will be heard in early June 2021.

- In 2010, the client obtained a default judgment against LTA Construction (Tanzania) Limited ("**LTA**") for USD1.6 million in respect of a contract mining project. LTA's application to have the default judgment rescinded and was denied. LTA has been granted leave to appeal the decision. In 2015, the client tried to enforce the default judgment against Aveng Africa in South Africa (given that Aveng Africa had been cited as one of respondents in the 2010 case) but Aveng Africa successfully stayed those proceedings. The appeal to rescind the default judgment must be heard in Tanzania first before the matter can be heard in South Africa and the appeal process remains ongoing.
- A dispute between Aveng and SARS relating to the interpretation of the Value Added Tax Act, No. 89 of 1991, as amended ("**VAT Act**"), as amended in respect of accommodation and incidental costs incurred to accommodate employees close to the project sites. The quantum of the matter is approximately ZAR39 million. Senior counsel has been engaged, and senior counsel does not agree with SARS' interpretation of the VAT Act. This matter is to be heard at the South African Revenue Service ("**SARS**") National Appeals Committee. A date has not yet been allocated. Aveng is continuing its engagement with SARS on the matter in an attempt to resolve the dispute.
- The project manager of a site in Gabon obtained an order in 2014 for judgment in a Gabonese court for approximately ZAR35 million for damages. The project manager seeks to enforce such judgment through the South African courts against Aveng Construction: South Africa, formerly known as Aveng Grinaker-LTA and others. The project manager has since passed away and no further correspondence has been received on this matter since August 2019.
- As a result of the termination of the mining contract in 2018, LTA Mali SA (a subsidiary of Aveng) was obliged to wind down its operations on the mine. LTA Mali SA retrenched the employees it had employed on the mining contract. LTA Mali SA negotiated with the relevant trade union representing 259 employees on the retrenchment process and the amount of compensation to be paid to the employees. An agreement was reached on these matters and incorporated in an agreement duly signed by representatives of the parties. Sometime after the employees were retrenched and paid the agreed retrenchment settlement amounts, the trade union representing the 259 ex-employees approached the Labour Court claiming compensation for the termination of the employment contracts of its members and citing the respondents as both LTA Mali SA and the client. The Labour Court of the Kayes awarded USD8.7 million in compensation to the ex-employees and both the employer and LTA Mali SA are held liable for payment of this award on a joint and several basis. LTA Mali SA and the employer appealed the decision in the Supreme Court in Mali and the determination was received in November 2020. As the appeal was successful, the matter has now been referred to a different appeal court namely Bamako Appeal Court for a re-trial. The proceedings remain ongoing.
- A plant leasing company has instituted two claims against McConnell Dowell division ("**MCD**") and there was a separate dispute with the client on this same project. Concerning the plant leasing company, the first claim was for unfair preference (insolvency) payments made by MCD and which appears to be between AUD46 million and AUD66.5 million; and the second claim being a subcontracted claim, where quantum has not been identified, being made for monies allegedly owed. However, it is expected that the amount will mostly overlap with the figures claimed in the insolvency proceedings. In the latter matter, MCD has instituted a counterclaim for costs to complete the plaintiff's subcontract, after the plaintiff's contract was terminated for insolvency. The dispute with the client on this project was settled and MCD's AUD8 million security bond has been returned. The matter is now finalised with a net result that AUD10 million was paid to MCD. Regarding the dispute on the same project with the plant leasing company, these proceedings are continuing. MCD filed and served amended pleadings in October 2020 following an unsuccessful mediation session.
- MCD, in joint venture with its partner is in arbitration with its client and related litigation proceedings with a project consultant engaged by the client's consultant, whereby the claims against the joint venture relate to the alleged supply of substandard components. The client's claim is in the amount of NZD5.2 million. A formal notice of discontinuance of the High Court matter was issued on 29 March 2019. The main arbitration has been stayed by agreement while the client carries out further investigations/ remedial work on the outfall.

- MCD's client instituted a defects claim of NZD25 million against it on an airport project. In December 2018, the lead insurer confirmed the indemnity. At present the cost of the aggregate and transit is excluded from the insurance claim as this is not insured under contract works insurance. MCD is engaging an insurance expert to confirm that the exclusion stands and that MCD has no recourse against the insurers for this aspect of the claim. MCD continues to engage with the insurers and the supplier to resolve the matter. MCD has since also received local legal advice under Fijian law confirming the basis of a claim to be instituted against the aggregate supplier.
- MCD and its joint venture partners is facing a potential claim in respect of an alleged pipeline defect. On 1 May 2019, the Joint Venture received a letter of demand for AUD25.44 million. The client has not responded to the JV's submission denying that there is any defect, however, on 4 September 2020 MCD received a copy of the summons and statement filed by the client in the Supreme Court of NSW. MCD has engaged legal counsel and will continue discussions with the client, experts and the insurers who have agreed to take over the JV's defence on a conditional basis.

In terms of the above claims, at this stage, the prospects of success on the quantum claimed, are considered remote based on internal and external assessment. Where required, adequate provisions have been made.

- Disputes with its client arose on a project executed by Aveng Construction: South Africa, formerly known as Aveng Grinaker-LTA. The contract has since been terminated by Aveng on the basis of repudiation by the client. Aveng was successful in its application to the High Court for enforcement of its adjudication award of ZAR40 million against the client. Two of the disputes raised by Aveng were referred to adjudication and relate to the termination costs on the project as well as the basis upon which Aveng terminated the contract. The adjudication proceedings against the client were decided in Aveng's favour, however, the award has been referred to arbitration. In addition, there exists a dispute with a major subcontractor on the project, where following adjudication the major subcontractor referred this dispute to arbitration. Subsequently, the subcontractor has withdrawn from this arbitration. The arbitration remains ongoing and the hearing is currently scheduled for July 2021. The additional claim by the major subcontractor relating to termination costs was referred to adjudication in December 2020, which adjudication was determined in Aveng's favour although the sub-contractor has referred this dispute to arbitration. Furthermore, there is also potential recourse against the client in respect of the claims instituted by the major subcontractor. The parties are considering a settlement proposal.
- A dispute has arisen between Aveng and one of its subcontractors in respect of Aveng's entitlement to impose penalties on the relevant subcontractor in the amount of ZAR62 million due to delay in execution of its subcontract works which resulted in penalties being imposed on Aveng. The matter has been referred to arbitration. Aveng is considering to propose a negotiated settlement process to encourage quick and cost efficient settlement of dispute.
- In March 2016, Built Environs Proprietary Limited ("**BEPL**"), instituted action against its client in connection with construction works including extension of time claims and delay costs claims. The value of the claim is AUD55 million plus the return of AUD14.5 million liquidated damages paid from the bonds. In December 2017, judgment was delivered in respect of BEPL's claim for repayment of the encashment of the bond. BEPL was unsuccessful. An amended Statement of Claim was filed in February 2020. The litigation process remains ongoing.

Save for the above, there are no legal proceedings, including any proceedings that are pending or threatened, relating to the Group, of which Aveng is aware, that may have or have had during the past 12 months, a material effect on the financial position of the Group.

5.5 Information relating to the directors and executive management of Aveng

Directors and executive management

- There will be no variation in the Directors and/or the executive management of Aveng as a consequence of the Rights Offer.
- None of the Directors have been convicted of an offence involving dishonesty, declared bankrupt, insolvent or entered into voluntary compromise or arrangements, nor have they been publicly criticised by any statutory or regulatory authorities or disqualified by a court from acting as a director, manager or conducting the affairs of a company.

- There were no receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any compromise with creditors generally or any class of creditors, where any Director is or was a director with an executive function of such company at the time of, or within 12 months preceding such events.
- **Directors' emoluments**
None of the Directors and/or executive management will receive any emoluments as a consequence of the Rights Offer.
- **Directors' and prescribed officers' interests in securities**

At the Last Practicable Date, the following Directors of Aveng, prescribed officers (and their Associates), including directors who have resigned during the last 18 months, held, in aggregate, directly and indirectly, approximately 6.9% of Aveng's issued Shares, as follows:

Name	Direct beneficial	Indirect beneficial	Total	% of Shares
AH Macartney [^]	240 981 345	960 000 000	1 200 981 345	2.0
SJ Flanagan [^]	240 000 000	960 000 000	1 200 000 000	2.0
L Tweedie ^{^^}	32 000 000	128 000 000	160 000 000	0.3
J Govender [*]	–	320 000 000	320 000 000	0.6
R Engelbrecht [*]	–	160 000 000	160 000 000	0.3
S Cummins [*]	–	640 000 000	640 000 000	1.1
D Morrison [*]	–	320 000 000	320 000 000	0.6
MJ Kilbride ^{**}	264 057	–	264 057	0 ⁺
Total	513 245 402	3 488 000 000	4 001 245 402	6.9

[^]Executive director

^{^^}Group Financial Controller

^{*}CEO/CFO of a major subsidiary

^{**}Non-executive Director

⁺ Less than 0.1%

From 1 July 2020 up to the date of this Circular, the securities held by the above Directors and prescribed officers have changed in the preceding financial year as follows:

- AH Macartney, by the acquisition of 1 200 981 345 Aveng Ordinary Shares;
- SJ Flanagan, by the acquisition of 1 200 000 000 Aveng Ordinary Shares;
- L Tweedie, by the acquisition of 160 000 000 Aveng Ordinary Shares;
- J Govender, by the acquisition of 320 000 000 Aveng Ordinary Shares;
- R Engelbrecht, by the acquisition of 160 000 000 Aveng Ordinary Shares;
- S Cummins, by the acquisition of 640 000 000 Aveng Ordinary Shares;
- D. Morrison, by the acquisition of 320 000 000 Aveng Ordinary Shares; and
- MJ Kilbride, by the acquisition of 134 058 Aveng Ordinary Shares.
- **Directors' and prescribed officers' dealings in securities**

As noted in the SENS announcement dated 23 March 2021, all Directors and prescribed officers have indicated that they will follow their Rights. In terms of the rules of the management incentive plan 2021 ("**MIP 2021**"), in the event of a rights issue, the participants will be entitled to participate in any rights issue in respect of his or her forfeitable Aveng Ordinary Shares, accordingly, the Directors and prescribed officers above will be entitled to follow their Rights in terms of their indirect beneficial Aveng Ordinary Shares.

- **Share capital**

The authorised and issued share capital of Aveng, before and after the Rights Offer is set out below:

	Stated Capital R'million
Authorised	
180 882 034 263 Aveng Ordinary Shares	9 044
500 000 000 000 Aveng Class A Shares	5 000 [#]
In issue before Rights Offer (including treasury and management incentive scheme shares)	
57 349 532 469 Aveng Ordinary Shares	4 660
725 472 919 Aveng Class A Shares	11 [#]
Total: 58 075 005 388 Aveng Shares	4 671
Shares held in treasury	
24 853 833 Aveng Ordinary Shares *	*
Issued in terms of the Rights Offer	
6 583 390 856 Aveng Ordinary Shares	99
83 275 812 Aveng Class A Shares	1 ^{#*+}
Total: 6 666 666 668 Aveng Shares	100
<hr/>	
Total 64 741 672 056 Aveng Shares	4 771
<hr/>	
Split between:	
63 932 923 325 Aveng Ordinary Shares	4 759
808 748 731 Aveng Class A Shares	12 [#]

*Less than ZAR1 million.

Class A shares are unlisted securities.

+ Assumes all Shareholders follow their Rights and minimum required number of As taken up (see note 1).

The minimum and maximum number of As are set out in note 1 below.

The total number of Rights Offer Shares will not change under any scenario only the split between ordinary no pay value shares and the Aveng Class A Shares (see note 1).

Note 1: Potential scenario of Aveng Ordinary Shares and Aveng Class A Shares

	Scenario: Minimum required Aveng Class A Shares taken up			Scenario: Maximum Aveng Class A Shares elected to be taken up		
	Maximum Aveng Ordinary Shares	Minimum Aveng Class A Shares	Total	Minimum Aveng Ordinary Shares	Maximum Aveng Class A Shares	Total
No existing shareholders follow rights (other than Underwriters)	3 431 151 177	3 235 515 491	6 666 666 668	–	6 666 666 668	6 666 666 668
All existing shareholders follow rights (including Underwriters)	6 583 390 856	83 275 812	6 666 666 668	3 956 747 661	2 709 919 007	6 666 666 668

6. SHARE TRADING HISTORY

The share trading history of Aveng on the JSE up to the Last Practicable Date is set out in **Annexure 5** of the Circular.

7. RESPONSIBILITY STATEMENT

The Directors of Aveng, whose names appear in the “Corporate Information and Advisors” section of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and certify that, to the best of their knowledge and belief, there are no other facts the

omission of which would make any statement in this Circular false or misleading, and that they have made all reasonable inquiries to ascertain such facts, and that this Circular contains all information required by law and the Listings Requirements. All the Directors have read, and understand and agree with, the contents of this Circular and have authorised the Group Financial Director, by way of powers of attorney granted to him, to sign this Circular on their behalf.

8. CONSENTS

Each of the advisors whose names appear on the front cover of this Circular have consented and have not, prior to the Last Practicable Date, withdrawn their written consents to the inclusion of their names and, where applicable, reports in the form and context in which they appear in this Circular.

9. INCORPORATION OF INFORMATION BY REFERENCE

Further information relating to COVID-19 and the future business prospects as a result thereof, the material risks, and debt levels have been disclosed in detail in (i) the Summarised Audited Consolidated Annual Financial Statements of the year ended 30 June 2020, which includes the Aveng Group Integrated Report and (ii) the Reviewed Interim Condensed Consolidated Financial Statement of the six months ended 31 December 2020. The table below sets out the specific disclosures and where the information relating thereto can be accessed, which is (in addition to the SENS announcement made by the Company on Tuesday, 23 March 2021 and the circular issued on Tuesday, 6 April 2021) accordingly incorporated by way of website referencing.

Relevant Information	Access to Information	Relevant page number
COVID-19 and future business prospects	Summarised Audited Consolidated Annual Financial Statements for the year ended 30 June 2020, available on the Aveng website at: https://www.aveng.co.za/pdf/investors/annual-results/2020/afs-report.pdf Reviewed Interim Condensed Consolidated Financial Statement of the six months ended 31 December 2020, available on the Aveng website at: https://www.aveng.co.za/pdf/investors/interim-results/2021/afs.pdf	Note 4 (Page 21) of the Summarised Audited Consolidated Annual Financial Statements for the year ended 30 June 2020 and Note (page 19) of the Reviewed Interim Condensed Consolidated Financial Statement of the six months ended 31 December 2020
Debt levels and debt covenant triggers	Reviewed Interim Condensed Consolidated Financial Statement of the six months ended 31 December 2020, available on the Aveng website at: https://www.aveng.co.za/pdf/investors/interim-results/2021/afs.pdf	Note 11 (Pages 50 – 53) of the Reviewed Interim Condensed Consolidated Financial Statements for the six months ended 31 December 2020. Further, post-reporting period movement on the debt levels has been disclosed in paragraphs 5.2 and 5.3 of this circular.
Material risks	Audited Consolidated Annual Financial Statements for the year ended 30 June 2020, available on the Aveng website at: https://www.aveng.co.za/pdf/investors/annual-results/2020/afs-report.pdf Aveng Group Integrated Report, available on the Aveng website at: https://www.aveng.co.za/pdf/investors/annual-reports/2020/aveng-iar-2020.pdf	Note 46 (Pages 103 – 111) of the Audited Consolidated Annual Financial Statements for the year ended 30 June 2020 and page 19 of the Aveng Group Integrated Report.

Relevant Information	Access to Information	Relevant page number
SENS announcement made by the Company on Tuesday, 23 March 2021	http://www.profile.co.za/sens.asp?id=380335	N/A
Circular issued on Tuesday, 6 April 2021	https://www.aveng.co.za/pdf/investors/circular/2021/follow-on-rights-offer-circular.pdf	N/A

There have been no material changes in the disclosures as it relates to material risks.

Paragraph 11.61 of the Listings Requirements allows for certain required information, ordinarily prescribed for inclusion into a circular to shareholders, to rather be incorporated by way of website referencing in terms of the reviewed interim condensed consolidated financial statements of the Company for the six months ended 31 December 2020, available on the Aveng website at <https://www.aveng.co.za/interim-results.php>.

In accessing and utilising the Company's website, it is important to note that the Company makes available such information purely for the use by and convenience of the Shareholders and for no other purposes and, accordingly, accepts no responsibility for the use of any such information by any other person save for the purposes as hereinto explained.

10. DOCUMENTS AVAILABLE FOR INSPECTION

In light of the COVID-19 pandemic and the current national restrictions in place in order to prevent the spread of COVID-19, copies of the following documents will be available online for inspection, on request to the Company Secretary, using the email address noted below, during normal business hours, from the date of issue of this Circular until the date of the General Meeting:

- the audited financial statements of Aveng for the years ended 30 June 2020, 30 June 2019 and 30 June 2018;
- the reviewed interim condensed consolidated financial statements for the six months ended 31 December 2020;
- the MOI and the memoranda of incorporation for the major subsidiaries of Aveng;
- a signed copy of this Circular;
- a written consents of the Sponsor, Legal Advisor and Transaction Advisor;
- the Underwriting Agreement;
- extract of the minutes of the meeting of the Board authorising AH Macartney to sign this Circular;
- the rules of the management incentive programme 2021; and
- affidavits of directors of Underwriters.

In order to access the above documents, they will be mailed to any requesting shareholder who requests same during the above times to the following email address: info@avenggroup.com.

For and on behalf of the Board

AH Macartney

Group Financial Director

Acting under authority of the Board

Johannesburg

14 May 2021

TABLE OF ENTITLEMENT

The number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out below. Shareholders will be entitled to 11.47941 Rights Offer Shares for every 100 Aveng Shares held. Shareholders' entitlements will be rounded to the nearest whole even number and only whole numbers of Rights Offer Shares will be issued, in accordance with the Listings Requirements.

No. of Aveng Ordinary Shares held	Rights Offer entitlement						
1	–	28	3	55	6	82	9
2	–	29	3	56	6	83	10
3	–	30	3	57	7	84	10
4	–	31	4	58	7	85	10
5	1	32	4	59	7	86	10
6	1	33	4	60	7	87	10
7	1	34	4	61	7	88	10
8	1	35	4	62	7	89	10
9	1	36	4	63	7	90	10
10	1	37	4	64	7	91	10
11	1	38	4	65	7	92	11
12	1	39	4	66	8	93	11
13	1	40	5	67	8	94	11
14	2	41	5	68	8	95	11
15	2	42	5	69	8	96	11
16	2	43	5	70	8	97	11
17	2	44	5	71	8	98	11
18	2	45	5	72	8	99	11
19	2	46	5	73	8	100	11
20	2	47	5	74	8	1 000	115
21	2	48	6	75	9	10 000	1 148
22	3	49	6	76	9	100 000	11 479
23	3	50	6	77	9	1 000 000	114 794
24	3	51	6	78	9	10 000 000	1 147 941
25	3	52	6	79	9	100 000 000	11 479 410
26	3	53	6	80	9	1 000 000	114 794 100
27	3	54	6	81	9	5 000 000	573 970 500

INFORMATION ON THE UNDERWRITERS

The Rights Offer has been fully co-underwritten by the Underwriters. Details pertaining to the Underwriters as required by the Listings Requirements are set out below:

HIGHBRIDGE TACTICAL CREDIT MASTER FUND, L.P.

1. NATURE OF BUSINESS

Highbridge TCF is an exempted Limited Partnership. This company is an investment vehicle that houses ownership interests on behalf of its investors. The Highbridge Tactical Credit Master Fund, L.P. focuses on investments in public middle market companies.

2. DIRECTORS

General Partner: Highbridge GP, Ltd., a Cayman Islands exempted company. This company is owned by Highbridge GP, LLC, and Highbridge GP, Ltd. These are independent entities serving as directors to the underwriter. These entities are equally owned by Clive Harris and Richard Crawshaw. These entities are not affiliated with either Highbridge Capital Management LLC or JP Morgan Chase & Co.

3. COMPANY SECRETARY

N/a

4. DATE AND PLACE OF INCORPORATION

2 May 2013, Cayman Islands

5. REGISTRATION NUMBER

71441

6. REGISTERED OFFICE

No. 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

7. AUDITORS

PricewaterhouseCoopers

8. BANKERS

Bank of America

9. AUTHORISED SHARE CAPITAL

N/a

10. ISSUED SHARE CAPITAL

N/a

HIGHBRIDGE SCF SPECIAL SITUATIONS SPV, L.P.

1. NATURE OF BUSINESS

Highbridge SCF is an exempted Limited Partnership. This company is an investment vehicle that houses ownership interests on behalf of investors. The Highbridge Strategic Credit Fund I focuses on special situation and distressed opportunities in the middle market and small capital space.

2. DIRECTORS

General Partner: Highbridge GP, Ltd., a Cayman Islands exempted company. This company is owned by Highbridge GP, LLC, and Highbridge GP, Ltd. These are independent entities serving as directors to the underwriter. These entities are equally owned by Clive Harris and Richard Crawshaw. These entities are not affiliated with either Highbridge Capital Management LLC or JP Morgan Chase & Co

3. COMPANY SECRETARY

N/a

4. DATE AND PLACE OF INCORPORATION

Cayman Islands, 8 August 2018

5. REGISTRATION NUMBER

97607

6. REGISTERED OFFICE

No. 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

7. AUDITORS

PricewaterhouseCoopers

8. BANKERS

Bank of America

9. AUTHORISED SHARE CAPITAL

N/a

10. ISSUED SHARE CAPITAL

N/a

WHITEBOX FUNDS

1. NATURE OF BUSINESS

Whitebox Advisors LLC (“**Whitebox Advisors**”) is an investment fund manager.

2. DIRECTORS

Paul Twitchell, Robert Vogel, Jacob Mercer and Paul Roos comprise the board of managers for Whitebox Advisors.

3. COMPANY SECRETARY

N/A

4. DATE AND PLACE OF INCORPORATION

Whitebox Advisors was formed on June 11, 1999 in Delaware, United States of America. Its principal place of business is located at 3033 Excelsior Boulevard, Suite 500, Minneapolis, MN 55416, United States of America.

5. REGISTRATION NUMBER

3055629

6. REGISTERED OFFICE

c/o Corporation Services Co.; 251 Little Falls Drive; Wilmington, Delaware, 19808, United States of America

7. AUDITORS

Ernst & Young

8. BANKERS

UBS AG and JP Morgan Chase

9. AUTHORISED SHARE CAPITAL

N/A

10. ISSUED SHARE CAPITAL

N/A

STEYN CAPITAL

1. NATURE OF BUSINESS

Steyn Capital is an institutional investment manager.

2. DIRECTORS

André Steyn

3. COMPANY SECRETARY

N/A

4. DATE AND PLACE OF INCORPORATION

25 July 2008, South Africa

5. REGISTRATION NUMBER

2008/018143/07

6. REGISTERED OFFICE

Verdi House, Klein D' Aria Estate, 97 Jip De Jager Drive Bellville, Western Cape, 7530

7. AUDITORS

Immelman Ferreira Inc.

8. BANKERS

First National Bank

9. AUTHORISED SHARE CAPITAL

1 000 000 000

10. ISSUED SHARE CAPITAL

100 000 000

EXCHANGE CONTROL REGULATIONS

The following summary is intended only as a guide and is, therefore, not comprehensive. If Shareholders are in any doubt as to the appropriate course of action they are advised to consult their professional advisor.

Pursuant to the Exchange Control Regulations and upon specific approval of the South African Reserve Bank (**SARB**), Non-residents, excluding former residents of the Common Monetary Area will be allowed to:

1. take up Rights allocated to them in terms of the Rights Offer;
2. purchase Letters of Allocation on the JSE;
3. subscribe for the Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE; and
4. purchase excess shares that have been applied for in terms of this Right Offer,

provided payment is received in foreign currency or in Rand from a non-resident Rand account in the name of the non-resident and/or Rand from a vostro account held in the books of the Authorised Dealer.

All applications by non-residents for the above purposes must be made through an Authorised Dealer in foreign exchange. Electronic statements issued in terms of Strate and any share certificates issued pursuant to such applications will be endorsed "non-resident".

Where a Right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which right is based on shares blocked in terms of the Exchange Control Regulations of South Africa, then only emigrant blocked funds may be used to:

1. take up the Rights allocated to them in terms of the Rights Offer;
2. purchase Letters of Allocation on the JSE;
3. subscribe for the Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE; and
4. purchase excess shares that have been applied for in terms of the Rights Offer (if applicable).

All applications by emigrants using blocked funds for the above purposes must be made through the Authorised Dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the Authorised Dealer in foreign exchange through whom the payment was made. The proceeds due to emigrants from the sale of the Letters of Allocation, if applicable, will be returned to the Authorised Dealer in foreign exchange for credit to such emigrants' blocked accounts. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Shares will be credited to the blocked accounts of the emigrants concerned.

New share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant Authorised Dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations of South Africa. Where the emigrant's Shares are in Dematerialised form with a CSDP or Broker, the electronic statement issued in terms of Strate will be dispatched by the CSDP or Broker to the address of the emigrant in the records of the CSDP or Broker.

Any Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of such Form of Instruction.

INFORMATION FOR FOREIGN SHAREHOLDERS

Any Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction, 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 such Form of Instruction.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer ("**Restricted Territories**") and this Circular and Form of Instruction should not be forwarded or transmitted by recipients thereof to any person in any territory other than where it is lawful to make such an offer.

United States of America

The Letters of Allocation and the Rights Offer Shares have not been and will not be registered under the Securities Act, 1933 ("**US Securities Act**") or under securities laws of any Restricted Territory and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States of America, except in respect of Qualified Institutional Buyers as contemplated under the US Securities Act ("**QIB**") pursuant to an 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 of America. Investors who are located in the United States of America will be required to execute and deliver a QIB investor letter ("**QIB Letter**"), a copy of which is available from Shareholders' CSDPs, prior to taking up or transferring Rights in the Rights Offer or acquiring Rights Offer Shares in the Rights Offer.

Shareholders who are required to submit a QIB Letter must do so by emailing same to edinah.mandizha@aveng.co.za on or before 12:00 on Friday, 4 June 2021.

Accordingly, the Company is not extending the Rights Offer into the United States of America unless an exemption from the registration of the US Securities Act is available, and subject to certain exceptions, this Circular neither constitutes nor will it constitute an offer or invitation to apply for, or an offer or an invitation to acquire, any Letters of Allocation or Rights Offer Shares in the United States of America.

Subject to certain exceptions, the Rights Offer circular will not be sent to any foreign Shareholder in, or with a registered address in, the United States of America. Subject to certain exceptions, any person who acquires Letters of Allocation or the Rights Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of the Rights Offer circular, taking up their Rights or accepting delivery of the Letters of Allocation or the Rights Offer Shares, that it is not, and that at the time of acquiring the Letters of Allocation or the Rights Offer Shares it will not be, in the United States of America or acting on behalf of, or for the account or benefit of, a person on a non-discretionary basis in the United States of America or any state of the United States of America.

In addition, until 40 days after the commencement of the Rights Offer, an offer, sale or transfer of the Rights Offer Shares or the Letters of Allocation within the United States of America by a dealer (whether or not participating in the Rights Offer) may violate the registration requirements of the US Securities Act. Subject to certain exceptions, Shareholders with a registered address in the United States of America will be treated as non-exercising holders and Aveng expects that the applicable Rights will be sold by the Transfer Secretaries on behalf of such Shareholders. The cash proceeds therefrom will be distributed to such Shareholders (net of applicable fees, expenses, taxes and charges), in proportion to such Shareholder's Right to the Rights Offer Shares.

There can be no assurances as to what price such Shareholders will receive for such disposal or the timing or exchange rate conversion of such receipt, to the extent applicable.

Although Letters of Allocation may be credited to the CSDP or Broker accounts of qualifying Dematerialised Shareholders:

- with a registered address, or resident, in one of the Restricted Territories;
- in the United States of America; or
- with a registered address, or who hold on behalf of persons located in the United States of America, or who hold on behalf of any person on a non-discretionary basis who is in the United States of America or any state of the United States of America, such crediting of letters of allocation does not constitute an offer to restricted Aveng shareholders and such restricted Aveng shareholders will not be entitled to take up or transfer Rights in the Rights Offer or acquire Rights Offer Shares in the Rights Offer unless such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Restricted territories

Subject to certain exceptions, the letters of allocation and the Rights Offer Shares may not be transferred or sold to, or renounced or delivered in, the Restricted Territories.

No offer of Rights Offer Shares is being made by virtue of the Rights Offer circular into the Restricted Territories.

No person may forward or otherwise transmit the Rights Offer circular to any territory other than where it is lawful to make the Rights Offer contemplated in the Rights Offer circular.

Although letters of allocation may be credited to the CSDP or broker accounts of qualifying dematerialised Aveng Shareholders:

- with a registered address, or resident, in one of the Restricted Territories;
- in the United States of America; or
- with a registered address, or who hold on behalf of persons located in the United States of America, or who hold on behalf of any person on a non-discretionary basis who is in the United States of America, or any state of the United States of America, such crediting of Letters of Allocation does not constitute an offer to restricted Shareholders and restricted Shareholders will not be entitled to take up or transfer Rights in the Rights Offer or acquire Rights Offer Shares in the Rights Offer unless such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Subject to certain exceptions, Shareholders with a registered address in the Restricted Territories will be treated as non-exercising holders and Aveng expects that the applicable Rights will be sold by the Transfer Secretaries on behalf of such Shareholders.

The cash proceeds therefrom will be distributed to such Shareholders (net of applicable fees, expenses, taxes and charges) in proportion to such Shareholder's Right to the Rights Offer Shares. There can be no assurances as to what price such Shareholders will receive for such disposal or the timing or exchange rate conversion of such receipt to the extent applicable.

SHARE TRADING HISTORY OF AVENG SHARES

The trading history of Aveng Ordinary Shares on the JSE, for each day over the 30 days preceding the Last Practicable Date and for each month over the 12 months prior to the Last Practicable Date, is set out below:

	High (cents)	Low (cents)	Volume traded (000' shares)	Value traded (000' Rand)
Month end				
31/05/2020	2.0	1.0	372 152	6 879
30/06/2020	4.0	1.0	943 401	27 212
31/07/2020	4.0	3.0	461 839	15 104
31/08/2020	4.0	2.0	770 045	9 962
30/09/2020	3.0	2.0	170 096	1 667
31/10/2020	3.0	2.0	155 004	2 111
30/11/2020	3.0	2.0	346 841	2 429
31/12/2020	3.0	2.0	791 579	3 621
31/01/2021	3.0	2.0	2 231 062	3 245
28/02/2021	3.0	1.5	2 738 742	9 069
31/03/2021	4.0	2.0	2 006 395	7 085
30/04/2021	4.0	3.0	1 197 723	8 768
Day ended				
23/03/2021	4.0	3.0	183 741	257
24/03/2021	4.0	3.0	54 340	421
25/03/2021	4.0	3.0	57 433	302
26/03/2021	4.0	3.0	42 972	399
29/03/2021	4.0	3.0	83 794	441
30/03/2021	4.0	3.0	56 190	576
31/03/2021	4.0	3.0	87 565	512
01/04/2021	4.0	3.0	94 614	707
06/04/2021	4.0	3.0	77 220	662
07/04/2021	4.0	3.0	87 574	603
08/04/2021	4.0	3.0	68 077	639
09/04/2021	4.0	3.0	157 055	512
12/04/2021	4.0	3.0	78 242	563
13/04/2021	4.0	3.0	32 238	577
14/04/2021	4.0	3.0	25 511	473
15/04/2021	4.0	3.0	34 955	640
16/04/2021	4.0	3.0	84 730	599
19/04/2021	4.0	3.0	56 138	483
20/04/2021	4.0	3.0	55 238	258
21/04/2021	4.0	3.0	26 347	412
22/04/2021	4.0	3.0	26 183	470
23/04/2021	4.0	3.0	33 932	418
26/04/2021	4.0	3.0	12 021	188
28/04/2021	4.0	3.0	180 146	156
29/04/2021	4.0	3.0	63 743	266
30/04/2021	4.0	3.0	3 760	144
03/05/2021	4.0	3.0	156 357	282
04/05/2021	4.0	3.0	65 190	316
05/05/2021	4.0	3.0	36 010	266
06/05/2021	4.0	3.0	77 424	203

Note: The above information was sourced from Factset as at 6 May 2021

THIS DOCUMENTS REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action to take, please consult your stockbroker, banker, attorney, accountant or other professional advisor immediately.

Aveng has issued all letters of allocation in dematerialised form and the electronic record for Certificated Shareholders is being maintained by its transfer secretaries, Computershare Investor Services Proprietary Limited. This has made it possible for Certificated Shareholders to enjoy the same rights and opportunities with respect to the Form of Instruction as those Shareholders who have already Dematerialised their Ordinary Shares. You must complete this Form of Instruction and return it to the Transfer Secretaries, at the address below, if you wish take up all or part of your Rights in terms hereof.

Each amendment to this Form of Instruction must be signed in full and must not be initialed.

**EXCHANGE CONTROL
REGULATIONS
ENDORSEMENT**
(see page 12)



Providing a better life

AVENG LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1944/018119/06)
Share code on the JSE: AEG ISIN: ZAE000111829
("Aveng" or "the Company")

- **A fully co-underwritten renounceable Rights Offer to Qualifying Shareholders in respect of 6 666 666 668 Rights Offer Shares at an issue price of 1.5 cents per Rights Offer Share, in the ratio of 11.47941 Rights Offer Shares, for every 100 Aveng Shares held at the close of trade on Friday, 21 May 2021.**

FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION ("FORM OF INSTRUCTION")

	2021
Declaration date	Tuesday, 11 May
Finalisation announcement released on SENS (before 11:00), on	Thursday, 13 May
Circular to be published on Aveng website	Monday, 17 May
Last day to trade in shares in order to participate in the Rights Offer (<i>cum entitlement</i>)	Tuesday, 18 May
Shares commence trading <i>ex entitlement</i> at 09:00 on	Wednesday, 19 May
Listing of and trading in the Letters of Allocation under code AEGN and ISIN ZAE 000298147 on the JSE commences at 09:00 on	Wednesday, 19 May
Circular and a Form of Instruction, where applicable, posted to Qualifying Certificated Shareholders on	Thursday, 20 May
Record Date at 17:00 on	Friday, 21 May
Rights Offer opens at 09:00 on	Monday, 24 May
In respect of Qualifying Certificated Shareholders, Letters of Allocation credited to an electronic account held with the Transfer Secretaries at 09:00 on	Monday, 24 May
Circular emailed to Qualifying Dematerialised Shareholders	Monday, 24 May
In respect of Qualifying Dematerialised Shareholders, CSDP or Broker accounts credited with Letter of Allocation at 09:00 on	Monday, 24 May
Last day to lodge Form of Instruction with the Transfer Secretaries in respect of Qualifying Certificated Shareholders (or their renounees) wishing to sell all or some of their Letters of Allocation by (12:00) on	Tuesday, 1 June
Last day to trade Letters of Allocation on the JSE	Tuesday, 1 June
Listing of Rights Offer Shares and trading therein on the JSE commences at 09:00 on	Wednesday, 2 June
Rights Offer closes at 12:00 on	Friday, 4 June
Payment to be made and Form of Instruction to be lodged with the Transfer Secretaries by Qualifying Certificated Shareholders wishing to renounce or subscribe for all or part of their entitlement at 12:00 on	Friday, 4 June
Record date for Letters of Allocation on	Friday, 4 June
Rights Offer Shares issued on	Monday, 7 June
In respect of Qualifying Dematerialised Shareholders (or their renounees), CSDP or Broker accounts debited with the aggregate Rights Offer Price and updated with Rights Offer Shares at 09:00 on	Monday, 7 June
In respect of Qualifying Certificated Shareholders (or their renounees), share certificates in respect of Rights Offer Shares posted on or about	Monday, 7 June
Results of the Rights Offer announced on SENS on	Monday, 7 June

Notes:

1. If you are a Qualifying Dematerialised Shareholder you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between yourself and your CSDP or Broker.
2. CSDPs effect payment on a delivery versus payment method in respect of Qualifying Dematerialised Shareholders.
3. Shareholders may not Dematerialise or rematerialise their Ordinary Shares between Wednesday, 19 May 2021, and Friday, 21 May 2021, both dates inclusive.
4. All times are South African times.
5. Share certificates will be posted by registered post at the risk of the Qualifying Certificated Shareholders (or their renounees).

Dear Shareholder,

1. THE RIGHTS OFFER

Shareholders recorded in the Register of the Company at the close of trade on Friday, 21 May 2021, are offered, on the terms and conditions stated in the Circular dated Monday, 17 May 2021 (which shall, if in conflict with the information set out below, take precedence) Rights to subscribe for Rights Offer Shares at a subscription price of 1.5 cents per Rights Offer Share in the ratio of 11.47941 Rights Offer Shares for every 100 Aveng Shares held on the Record Date.

ALLOCATION (REFER TO THE FORM ATTACHED)

The Rights Offer Shares stated in Block (3) have been provisionally allocated for issue at a subscription price of 1.5 cents per Rights Offer Share to the Shareholder whose name is stated in Block (1).

2. ACCEPTANCE AND PAYMENT

- 2.1 If you wish to accept the Rights Offer you must complete Blocks (5) and (6) above.
- 2.2 If you are the person(s) in whose name(s) this Form of Instruction was issued and wish to subscribe for all the Rights Offer Shares allocated to you, complete the applicable blocks as stated above. Forms A, B and Form C of this Form of Instruction need not be completed.
- 2.3 If you are the person(s) in whose favour this Form of Instruction has been renounced and you wish to subscribe for the Rights Offer Shares, complete the applicable blocks as stated above as well as Form C of this Form of Instruction.
- 2.4 Payment of the ZAR value of the subscription price may be made by EFT into the designated bank account (kindly contact the Transfer Secretaries' call center for corporate actions on +27 11 370 5000 and, in South Africa only, 0861 100 634 to obtain banking details and reference number for the deposits.
- 2.5 If you wish to subscribe for Rights Offer Shares, a properly completed Form of Instruction, together with a EFT proof of payment (in accordance with 2.4 above) must be returned to the Transfer Secretaries, so as to be received by no later than Friday, 4 June 2021.
- 2.6 Such payment, when the EFT cleared into the designated bank account, will constitute acceptance of the Rights Offer upon the terms and conditions set out in the accompanying Circular and in this Form of Instruction.
- 2.7 No acknowledgement of receipt will be given for an EFT received in accordance with the Rights Offer.
- 2.8 **If this Form of Instruction and EFT proof of payment are not received as set out above, then the Rights Offer will be deemed to have been declined and the right to subscribe for the Rights Offer Shares offered to the addressee or renounced in favour of his/her renounee will lapse, no matter who then holds it.**

3. FOREIGN SHAREHOLDERS

Please refer to the "Note to Foreign Shareholders" section in the Circular prior to completing this Form of Instruction.

4. SALE OF RIGHTS

- 4.1 If you wish to sell all or some of your Rights, you must complete Form A of this Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than Tuesday, 1 June 2021.
- 4.2 The Transfer Secretaries will endeavour to procure the sale of rights on the JSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, neither the Transfer Secretaries, nor any broker appointed by it nor Aveng will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such Rights.

5. JSE LISTING

The JSE has granted a listing for the Letters of Allocation in respect of 6 666 666 668 Rights Offer Shares with effect from the commencement of trading on Wednesday, 2 June 2021 to the close of trade on Friday, 4 June 2021, both days inclusive.

6. RENUNCIATION OF RIGHTS

- 6.1 If you are a Qualifying Certificated Shareholder and you do not wish to subscribe for the Rights Offer Shares allocated to you in terms of the Rights Offer, you may renounce your rights to a renounee by signing Form B, and the renounee who wishes to subscribe for the Rights Offer Shares which you have renounced in terms of the Rights Offer must complete Form C, lodge this Form of Instruction, and make payment, in terms of paragraph 2.4 above, for the number of Rights Offer Shares in respect of which the Rights Offer is accepted.
- 6.2 The lodging of this Form of Instruction, with Form B purporting to be signed by the Shareholder whose name appears thereon, will be taken to be conclusive evidence of the right of the holder:
 - to deal with this Form of Instruction; or
 - to have the Rights Offer Shares in question allotted and to receive a certificate for those shares.
- 6.3 Therefore, Aveng will not be obliged to investigate whether Forms B and C have been properly signed or completed or to investigate any fact surrounding the signing or lodging of either form.

7. EXCESS APPLICATIONS

There will be no provision for excess allocations.

8. EXCHANGE CONTROL REGULATIONS

- 8.1 Pursuant to the Exchange Control Regulations of South Africa and upon specific approval of the SARB, Non-residents, excluding former residents, of the Common Monetary Area will be allowed to:
 - take up rights allocated to them in terms of the Rights Offer;
 - purchase Letters of Allocation on the JSE;
 - subscribe for the Rights Offer Shares arising from the Letters of Allocation purchased on the JSE; and
 - purchase excess shares that have been applied for in terms of this Rights Offer,

provided payment is received foreign currency or in Rand from a non-resident Rand account in the name of the non-resident and/or Rand from a vostro account held in the books of the Authorised Dealer.

- 8.2 All applications by non-residents for the above purposes must be made through an Authorised Dealer in foreign exchange. Electronic statements issued in terms of Strate and any share certificates issued pursuant to such applications will be endorsed "non-resident".

- 8.3 Where a right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which right is based on shares blocked in terms of the Exchange Control Regulations of South Africa, then only emigrant blocked funds may be used to:

- take up the rights allocated to them in terms of the Rights Offer;
- purchase Letters of Allocation on the JSE; and
- subscribe for the Rights Offer Shares arising from the Letters of Allocation purchased on the JSE; and
- purchase excess shares that have been applied for in terms of the Rights Offer (if applicable).

- 8.4 All applications by emigrants using blocked funds for the above purposes must be made through the Authorised Dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the Authorised Dealer in foreign exchange through whom the payment was made. The proceeds due to emigrants from the sale of the Letters of Allocation, if applicable, will be returned to the Authorised Dealer in foreign exchange for credit to such emigrants' blocked accounts. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Ordinary Shares will be credited to the blocked accounts of the emigrants concerned.

- 8.5 New share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant Authorised Dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations of South Africa. Where the emigrant's Shares are in dematerialised form with a CSDP or broker, the electronic statement issued in terms of Strate will be despatched by the CSDP or broker to the address of the emigrant in the records of the CSDP or broker.

- 8.6 Any Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of such Form of Instruction.

9. DOCUMENTS OF TITLE

- 9.1 Share certificates to be issued to Qualifying Certificated Shareholders (or their renounees) in respect of those Rights Offer Shares to which they have validly subscribed, will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about Monday, 7 June 2021.
- 9.2 Share certificates in respect of additional Rights Offer Shares allocated to Qualifying Certificated Shareholders (where applicable) will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about Monday, 7 June 2021.

10. REFUNDS

Money received in respect of an application that is rejected or otherwise treated as void by Aveng, or which is otherwise not validly received in accordance with the terms stipulated, will be refunded by way of EFT (without interest) in ZAR to the applicant concerned on or about Monday, 7 June 2021.

By order of the Board

AVENG LIMITED

Johannesburg
14 May 2021

GENERAL INSTRUCTIONS AND CONDITIONS

- a) **Married persons:** Married persons wishing to exercise their rights must comply with the provisions of the Matrimonial Property Act No. 88 of 1984 (as amended) or the Civil Union Act No. 17 of 2006 (as amended) or customary law or the applicable matrimonial law, and proof of such person's capacity to exercise such rights may be required by the Transfer Secretary.
- b) **Powers of attorney:** If this form is signed under a power of attorney, then the original, or certified copy thereof, must be sent to the transfer secretaries for noting unless it has already been noted by Aveng or the Transfer Secretary.
- c) **Companies, close corporations or other incorporated entities:** A company or close corporation wishing to exercise its rights must send the original or certified copy of the directors' or members' resolution authorising the exercise of such rights to the Transfer Secretaries for noting.
- d) **Stamp of broking member of the JSE:** If any signature to Form B is confirmed by the stamp of a broking member of the JSE then a), b) or c) above, as the case may be, will not apply.
- e) **Deceased estates and trusts:** Rights Offer Shares will not be allotted in the name of an estate or a trust. Therefore, where the right to the Rights Offer Shares has accrued to the estate of a deceased holder or a trust, the executor or administrator or trustee (as the case may be) must complete Form B in his/her representative capacity and Form C must be completed by the person in whose name the Rights Offer Shares are to be allotted without any reference to the estate or the trust.
- f) **Joint holders:** Where applicable, all joint holders of Letters of Allocation must sign.
- g) **Receipts and documents:** No receipts will be given for completed Letters of Allocation and remittances. Original documents accompanying applications will be returned by the Transfer Secretary in due course, at the risk of the applicant.
- h) **Share certificates:** Aveng uses the "certified transfer deeds and other temporary documents of title" procedure approved by the JSE and, therefore, will issue only one "block" share certificate for the Rights Offer Shares allotted by it to each acceptor of the offer.

All documentation to be forwarded to:

The Transfer Secretaries
AVENG LIMITED – Aveng Limited Transfer Secretaries
c/o Computershare Investor Services Proprietary Limited

Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg, 2196
(Private Bag X9000, Saxonwold, Johannesburg,
corporate.events@computershare.co.za

Stamp of selling broker
(if any) or stamp or name
and address of lodging
agent

FORM A: INSTRUCTION TO SELL

This form is to be signed by the offeree if the rights to the Rights Offer Shares are to be sold.

To the Directors,

AVENG LIMITED

I/We hereby instruct Computershare Investor Services Proprietary Limited to pay the proceeds, if any, of the sale of (insert number) Rights allocated to me/us in terms of this Form of Instruction (less fees calculated as follows: a dealing administration fee for trades greater than ZAR0.01 up to ZAR40 000.00 equal to ZAR155.84 inclusive of VAT and a further additional fee of 0.35% for trades greater than ZAR40 000.00 plus VAT (+ZAR155.84). A administration fee of ZAR100.00 will be levied in respect of the selling order.

Payment instruction:

By electronic funds transfer to the following bank account: **(certified copies of the bank statement and identification document must be attached to the Form of Instruction when payment via electronic funds transfer is requested and the same has not been submitted to the transfer secretaries to date).**

Name of bank

Account number

Branch code

In order to comply with the requirements of the Financial Intelligence Act 38 of 2001 (as amended), Computershare will be unable to record any change of address mandated unless the following documentation is received from the relevant Shareholder:

- An original certified copy of your identity document,
- An original certified copy of a document issued by the South African Revenue Services to verify your tax number, if you do not have one please submit this in writing and have the letter signed by a commissioner of oaths; and
- An original or an original certified copy of a service bill to verify your residential address.

PLEASE NOTE THAT IF THE ABOVE INFORMATION IS NOT COMPLETE OR IF CONFLICTING INSTRUCTIONS ARE GIVEN, AN EFT PAYMENT OF THE AMOUNT DUE WILL BE PAID TO THE ABOVE BANK ACCOUNT DETAILS.

Signed:

Signature(s) of offeree selling his/her rights

Assisted by me (where applicable) (all joint holders must sign)

Date:

Stamp of selling broker (if any) or stamp or name and address of lodging agent

FORM B: FORM OF RENUNCIATION

To be signed by the shareholder named in Block (1) on the first page of this form if the right to the Rights Offer Shares are renounced.)

To the Directors,

AVENG LIMITED

I/We hereby renounce my/our right to subscribe for (insert number) of the Rights Offer shares allocated to me/us as stated in **Block (3)** on the second page of this form in favour of the person(s) completing the registration application form **(Form C)** in relation to such shares

Signed

Signature(s) of offeree selling his/her rights Assisted by me (where applicable) (all joint holders must sign)

Date

(Note: Renounees must attach a certified true copy of their identification document to the Form of Instruction when Form B: Form of renunciation is completed.)

Stamp of selling broker (if any) or stamp or name and address of lodging agent

FORM C: REGISTRATION APPLICATION FORM

This form to be completed in respect of the person(s) (ie the renounee(s)) in whose name(s) the Rights Offer shares are to be allotted).

ONCE THIS FORM HAS BEEN COMPLETED THIS FORM OF INSTRUCTION WILL NO LONGER BE NEGOTIABLE.

To the Directors,

AVENG LIMITED

I/We hereby request you to allot the Rights Offer Shares comprised in this Form of Instruction and as indicated in Blocks (5), (6) and (7) hereof in the following name(s) upon the conditions set out in the accompanying circular, dated 17 May 2021 and subject to the Memorandum of Incorporation of Aveng.

I/We authorise you to place such name(s) on the register of Aveng shareholder in respect thereof. Surname(s) or name of company.

Mr/Mrs/Miss/Ms

First names in full

Postal address (preferably PO Box address)

Postal code

Telephone number (office hours): ()

Cellphone number: ()

Facsimile number: ()

Email address:

Signed

Signature(s) of offeree selling his/her rights

Assisted by me (where applicable) (all joint holders must sign)

Date

Stamp of selling broker (if any) or stamp or name and address of lodging agent

FORM D: POSTAL INSTRUCTIONS (to be completed only if you require a share certificate)

Certificated Shareholders accepting all the rights allocated to them in terms of the Rights Offer will receive their Rights Offer Shares in certificated form, which will not be good for delivery until they have been Dematerialised.

Certificated Shareholders should complete the section below.

Kindly post the relevant share certificate to the following address by registered post:

Name

Address

(If no specific instructions are given here, the Certificated Shares will be forwarded to the address as shown on the second page of this Form of Instruction.) A Shareholder wishing to collect his/her/their new share certificate from the Transfer Secretary must tick this block:

