

ESOR LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1994/000732/06)
JSE code: ESR
ISIN: ZAE000184669
("Esor" or "the Company")

PROPOSED RIGHTS OFFER AND CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the announcement released on SENS on 10 October 2016 relating to the acquisition by the Company of Tuboseal Services Proprietary Limited and the Business Assets and Operations from Tuboseal Proprietary Limited ("the Acquisition").

Esor intends to undertake a rights offer ("Proposed Rights Offer") during January of 2017 at which time the detailed terms of the Proposed Rights Offer will be released on SENS.

The proceeds from the Proposed Rights Offer will be used to repay a credit facility that was made available to Esor to fund the Acquisition by Geomer Investments Proprietary Limited ("Geomer Investments").

Esor anticipates that the Proposed Rights Offer will consist of an offer of 98 796 357 shares in Esor at a price of 38 cents.

Geomer Investments have committed to fully underwrite the Proposed Rights Offer.

Cautionary Announcement

Esor shareholders are advised that the final terms of the Proposed Rights Offer will be announced in due course. Shareholders are accordingly advised to exercise caution when dealing in the Company's securities until a further announcement regarding the Proposed Rights Offer is made.

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26 October 2016

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