

TTO - Trustco Group Holdings Limited - Options in respect of a specific share repurchase and related cautionary announcement

TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia

(Registration number 2003/058)

NSX share code: TUC

JSE share code: TTO

ISIN Number: NA000A0RF067

("the Company" or "Trustco")

Options in respect of a specific share repurchase and related cautionary announcement

#### 1. Introduction

Trustco is pleased to announce that it has entered into an agreement with Renaissance Africa Master Fund ("the Fund") ("the agreement"), the terms of which may result in Trustco, or its nominee, repurchasing 74 331 920 or 10.5% of its ordinary shares in issue ("the repurchase shares") ("the transaction").

The transaction may be effected through the exercise by Trustco of a call option over the repurchase shares ("the call option") or the exercise by the Fund of a put option over the repurchase shares ("the put option") (collectively, "the options") on the terms and conditions set out below.

JSE Limited ("the JSE") has provided the Company with a dispensation to enter into the agreement during a closed period, as defined in the JSE Listings Requirements (a "closed period"), provided that the approval of shareholders in general meeting may not be sought, nor the options exercised, during a closed period.

#### 2. Terms of the options

##### 2.1 The call option

Trustco shall be entitled to acquire the repurchase shares at a price of 110 cents per share or an aggregate consideration of R81 765 112 on written notice to the Fund.

##### 2.2 The put option

The Fund shall be entitled to dispose of the repurchase shares at a price of 70 cents per share or an aggregate consideration of R52 032 344 on written notice to Trustco.

The put option shall be exercisable by the Fund in tranches of 25% of the repurchase shares. The Fund may not exercise its option in respect of more than one tranche in any consecutive 30-day period.

#### 3. Rationale

The board of directors of Trustco ("the Board") are of the opinion that the current share price of Trustco does not reflect the intrinsic value of the shares. The Board are therefore of the opinion that the exercise price of the put and call options ("the strike price") are below the intrinsic value per share and as such that this transaction will be value enhancing to the Company.

In addition, this transaction will provide Trustco with the opportunity to acquire a large block of Trustco shares.

#### 4. Suspensive Conditions

The agreement is subject to the approval of the requisite majority of Trustco shareholders voting in favour of the transaction at a general meeting.

#### 5. Duration of the options

Other than in a closed period and save for the limitations set out in paragraph 2.2 above, the options may be exercised by either party at any time during the 24-month period following the date on which the last of the suspensive conditions have been met.

#### 6. Cancellation and termination of listing of the repurchase shares

On exercise of the options and to the extent permissible in terms of the Namibian Companies Act, Act 21 of 2004 ("the Act"), the Company will affect the share repurchase through a nominee company thereby creating treasury shares.

The Act permits a company to hold as treasury shares no more than 10% of its shares in issue. Accordingly, the Company will directly acquire that number of repurchase shares to ensure compliance with the Act. These repurchase shares will be cancelled and application will be made to terminate their listing on the JSE.

7. Related party

The Fund is a material shareholder of Trustco and, in terms of the JSE Listings Requirements, the transaction is classified as a related party transaction. Accordingly, the Board has appointed QuestCo Sponsors (Pty) Limited ("QuestCo") to provide it with an opinion as to the fairness of the transaction.

The appointment by the Board of QuestCo is subject to the approval by the JSE in terms of JSE Listings Requirements schedule 5.

8. General meeting

A general meeting of Trustco shareholders will be held on or about 12 January 2012, but subject to the closed period provision set out in paragraph 1 above, in order to obtain the requisite shareholder approval ("the general meeting"). The specific dates and times relating to the general meeting will be published on SENS and in the press in due course.

9. Circular

A circular containing details of the repurchase and containing a notice of general meeting of Trustco shareholders will be dispatched to shareholders on or about 25 November 2011.

10. Cautionary announcement

The pro forma financial effects of the transaction have not yet been finalised. Shareholders are therefore advised to continue exercising caution when dealing in the Company's securities until such information is released.

As the shares in question are listed on the JSE, NSX approval has not been sought.

By order of the Board

Margot Gebhardt

Company Secretary

Windhoek

28 October 2011

JSE Sponsor

QuestCo Sponsors (Pty) Ltd

NSX Sponsor

IJG Securities (Pty) Ltd