



TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia

(Registration number 2003/058)

Registered as an external company in South Africa

(External registration number 2009/002634/10)

NSX share code: TUC

JSE share code: TTO

ISIN Number: NA000AORF067

("Trustco" or "the Company")

RESOURCES SEGMENT OPERATIONAL UPDATE: MEYA MINING SALE OF DIAMONDS JULY 2018

Trustco is pleased to advise Trustco shareholders ("**Shareholders**") of the following operational update related to Meya's exploration program and wishes to inform Shareholders of following operational activities:

- Meya continued to extract kimberlite from the Meya River bulk sample from 375 to 365 metres above mean sea level ("mamsl") along Dyke Zone B. This sample produced 1277.99 carats which were sold on tender in Antwerp for USD 548 003.53.
- The average price of USD 428.80 per carat exceeded expectations as the parcel was made up of 1 083.01 carats during the first pass of the Run of Mine ("RoM") material through the plant and 194.98 carats recovered from second pass of Dense Medium Separation Plant ("DMS") tailings audits from the Meya River domain, crushed down from 12 mm to 8 mm. Size frequency distributions indicate that the RoM material achieved about USD 479 per carat whilst the tailings audit achieved USD 150 per carat.
- The RoM sample includes a 14.20 carat Type IIa diamond which was sold for USD 13 120.93 per carat. The high price achieved for this stone as well as other white diamonds clearly indicates that the buyers continue to have confidence in the Meya diamonds.



- Detail studies by QTS Kristal Dinamika (QTS), who has been contracted to analyse each diamond parcel prior to sale, highlighted that this parcel included the first pink stone above half a carat. Also, that the average value per carat for this parcel would have reached at least USD 540 if diamond breakage could be eliminated. QTS indicated that 65.49% of the parcel falls within the D to H colour range and 30.09% in the I to K range.
- Meya continues with exploration of Dyke Zone B and on the Simbakoro Dyke, which is located some 800m north of Dyke Zone B running on a parallel orientation. Excavations of bulk samples at the Waterloo and Simbakoro are due to commence.

Shareholders are also referred to the SENS announcement regarding the acquisition by Trustco Resources of 51% interest in Meya, dated 23 August 2016, specifically refer to the *hurdle*, which means:

“the results from the Work Program as at the Completion Date proving any one of two components, namely, a Resource Statement of at least 3 million carats and/or a Resource Statement of at least USD 1 billion valued at international market price”

In July 2018 Trustco received a preliminary independent technical Report for the Meya Project (the “Report”) from SRK Consulting (Canada) Inc, regarding the exploration results to date indicating that both the hurdle components have been achieved.

The Report confirms management expectations regarding the geo-economical potential of Meya resource. The following exploration results were confirmed:

- Sub-vertical kimberlite dyke zones at Meya have been delineated by 58 core holes, indicating an approximate strike length of 10,070 m within the license boundary area.
- Based on core logging, petrography, groundmass spinel compositions, microdiamond analysis results and macro-diamond recovery from bulk sampling, at least three different significant dyke zones (different kimberlite phases) have been established.



- The Meya River Dyke Zone, located in the east of the license area achieved very high grades and diamond value from a large macro diamond parcel.
- Potential discovery of additional significantly diamondiferous kimberlite dykes, as many untested kimberlite dykes are located within the licence area. Additional to the kimberlite dykes, it is possible that blows or pipes infilled with volcanoclastic kimberlite are present.
- Recovery of the 476 ct Meya Prosperity Diamond, classified as a Type IIa stone, is considered extremely significant. This, together with proportion of other high value Type IIa stones recovered from the Meya River Dyke Zone bulk sample is extremely encouraging.
- Potential to recover super large Type IIa diamonds due to historical large stone recoveries from the licence area as well as the geological conducive transport of these large brittle diamonds when emplacement as intrusive dykes.

With the geo-economic potential having been verified, the mine is in the process of evaluating various options to increase the overall mine configuration and achieve an optimal mine plan. This includes plant optimisation and additional mining fleet.

Windhoek, Namibia

9 August 2018

Amanda Bruyns

Company Secretary: Trustco Group Holdings Limited

JSE Sponsor

Vunani Corporate Finance

NSX Sponsor

Simonis Storm Securities Proprietary Limited