

**TRANS HEX GROUP LIMITED**

(Incorporated in the Republic of South Africa)

Registration number 1963/007579/06

Share code: TSX

ISIN: ZAE000018552

("Trans Hex" or the "Company")

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**SECTION 189 NOTICE AND CONSULTATION PROCESS AT BAKEN MINE**

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Trans Hex shareholders ("**Shareholders**") are advised that the Company has issued a notice to the National Union of Mineworkers ("**Notice**") and, effective from 1 September 2017, will be entering into a consultation process, in accordance with section 189 of the Labour Relations Act, No 66 of 1995, with regard to potential retrenchments at its Baken Mine. The mine, which has been in operation for more than 45 years, currently employs 332 employees.

The Company has made every effort to sustain operations at Baken, however the mine's low carat production and subsequent financial losses are now considered to be unsustainable. Baken incurred a loss of R35,8 million in the 2017 financial year and an approximate loss of R46,5 million for the period April – July 2017.

In terms of the Notice, it is envisaged that operations at Baken will continue during the consultation process and that the mine will then be placed on care and maintenance effective from 1 November 2017.

The financial information contained in this announcement has not been reviewed or reported on by Trans Hex's external auditors and is the responsibility of the Directors of the Company.

Cape Town

1 September 2017

Sponsor

One Capital