

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 "Group" or the "Company")

TRADING STATEMENT

Trans Hex is currently finalising its results for the 12 months ended 31 March 2018 ("**Results**"), which are expected to be released on SENS on or about 21 June 2018.

Results in this trading statement are compared with results for the 12 months ended 31 March 2017 ("**Previous Corresponding Period**").

Sale of the Lower Orange River ("LOR") operations

The Board of Directors of the Company approved the sale of the LOR operations on 27 March 2018. Consequently, the assets and liabilities relating to these operations have been presented as a disposal group held-for-sale in terms of IFRS 5. The results of the LOR operations for the year ended 31 March 2018 are presented as discontinued operations as this represents a separate major line of business.

Acquisition of an additional 27,2% interest in West Coast Resources (Pty) Ltd

On 1 February 2018, the Group acquired a further 27,2% equity interest in West Coast Resources (Pty) Ltd, thereby increasing its interest to 67,2% and obtaining control of West Coast Resources (Pty) Ltd. Up to this date, the 40% investment in West Coast Resources (Pty) Ltd was accounted for as an investment in an associate under the equity method.

It should be noted that the consolidation of West Coast Resources (Pty) Ltd from 1 February 2018, and the re-representation of the results of the LOR operations as discontinued operations, impacted the comparability of the results for the year ended 31 March 2018 with the results for the year ended 31 March 2017.

The Group expects to report:

- loss per share of 175,6 cents compared to a loss per share of 173,5 cents in the Previous Corresponding Period, representing an increase in loss of 1,21%; and
- headline loss per share of 216,5 cents compared to a headline loss per share of 114,6 cents in the Previous Corresponding Period, representing an increase in loss of 88,92%.

COMMENTS

The following salient points will be fully reported upon when the Group releases its Results:

- Group net profit from continuing operations amounted to R26,2 million (2017: loss of R65,2 million).
- Group net loss from discontinued operations, including a retrenchment costs of R99,3 million, amounted to R213,0 million (2017: loss of R117,4 million).
- Group net loss for the year amounted to R186,8 million (2017: loss of R182,6 million).
- The Group's net cash position at the end of the year was R79,4 million (2017: R225,4 million).
- Net asset value per share amounted to 218,0 cents (2017: 337,0 cents).

The financial information on which this trading statement is based has not been reviewed and reported on by the Company's auditors.

Cape Town
19 June 2018

Sponsor
One Capital