



ACQUISITION OF AFROCENTRIC HEALTH LIMITED, FORMERLY KNOWN AS LETHIMVULA INVESTMENTS LIMITED AND FOR PURPOSES OF THIS ANNOUNCEMENT, HEREINAFTER REFERRED TO AS "LETHIMVULA" "SECOND TRANCHE PAYMENTS"

INTRODUCTION

In December 2008 AfroCentric agreed to acquire a 63.2% interest in Lethimvula ("the Acquisition") from various parties (collectively "the Sellers") and made a mandatory offer ("the Obligatory Offer") to the remaining shareholders of Lethimvula ("the Offeree Shareholders"), on the same terms and conditions, by way of a circular dated 27 February 2009. The total consideration payable to both the Sellers and the Offeree Shareholders was to be discharged in two tranches, the first tranche payments having been made in 2009. This notice provides details with respect to the second tranche payments to be made in the coming weeks.

SECOND TRANCHE PAYMENTS – SHARES AND CASH IN AGGREGATE

The second tranche payments consist of a combination of newly issued shares and cash. The number of shares and amount of cash is based on the financial performance of Lethimvula against a profit warranty undertaking it made at the time of the Acquisition.

In addition to the Lethimvula shares acquired from the Sellers and Offeree Shareholders under the Obligatory Offer, AfroCentric has continued to acquire Lethimvula shares offered by minority Lethimvula shareholders on the same terms and conditions as the Obligatory Offer. As a result AfroCentric today owns 94.07% of Lethimvula (the "level of ownership").

The parties entitled to receive second tranche payments are all the shareholders that sold their Lethimvula shares to AfroCentric (each an "Eligible Party").

As disclosed in AfroCentric's Audited Results Announcement for the year ended 30 June 2013, released on SENS on 27 September 2013, Lethimvula attained a level of 90% of the profit warranty undertaking. As a result of the level of the warranty attainment and the level of ownership, 100,805,620 (one hundred million, eight hundred and five thousand, six hundred and twenty) AfroCentric ordinary shares will be issued and R 26.8 million cash will be paid on the second tranche payment date (refer to "Important Information" below).

SECOND TRANCHE CASH PAYMENT

The amount of cash payable to each Eligible Party will be computed based on the date on which the Eligible Party disposed of its Lethimvula shares to AfroCentric.

The following dates will dictate the amount of the second tranche cash payment per share that each Eligible Party will receive.

Date of Disposal by Lethimvula shareholder	Second tranche cash payment per share
Prior to 7 January 2011	27 cents
After 7 January 2011, but prior to 18 November 2011	19.5 cents
After 18 November 2011, but prior to 7 December 2012	10.5 cents

IMPORTANT INFORMATION

In terms of the Acquisition agreement and the Obligatory Offer, save for any delays arising as a result of a dispute requiring Arbitration, the second tranche payments are to be discharged within 20 business days of finalising the audited financial statements of Lethimvula for the year ended 30 June 2013.

Due to the number of Offeree Shareholders having disposed of their first tranche AfroCentric consideration shares and/or who hold certificated shares and whose personal details in the AfroCentric share registers may not be current, and in order to verify the accuracy of the required information, the Board of Directors of AfroCentric has resolved to delay the second tranche payments by a further 12 business days until 14 November 2013 ("the second tranche payment date").

All ex Lethimvula shareholders who received AfroCentric shares in terms of the first tranche payments and who are no longer shareholders in AfroCentric and/or whose personal details in the share register may not be current, are encouraged to contact **COMPUTERSHARE INVESTOR SERVICES (PTY) LIMITED, (CALL CENTRE NUMBER 086 1100634 OR SEND AN E MAIL TO corporate.events@computershare.co.za) BY NO LATER THAN 31 OCTOBER 2013 TO VERIFY THE INFORMATION ON RECORD AND VALIDATE THE CLAIM TO YOUR SECOND TRANCHE PAYMENTS.**

Please note that for such individuals to receive their second tranche payments (shares and cash consideration), they will be required to provide a certified copy of their identity document, proof of residence and verified bank account details. Failure to respond to the aforesaid validation process will result in the shares and cash proceeds payable to such shareholders being held in escrow. The onus is on such shareholders to claim their second tranche payments within three years from 14 November 2013.

Johannesburg
11 October 2013

Sponsor
Sasfin Capital
A division of Sasfin Bank Limited

Legal Advisors to AfroCentric
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