
M FiTEC International Limited
Incorporated in the Republic of South Africa
(Registration number 2015/294800/06)
Share code: MFI ISIN: ZAE000209607
("M-FiTEC" or "the Company")

**RETURN OF CAPITAL TO SHAREHOLDERS, DISTRIBUTION OF CIRCULAR, NOTICE OF
GENERAL MEETING AND WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT**

1. INTRODUCTION

Shareholders are referred to the announcement dated 9 June 2017, wherein shareholders were advised that the board of directors of M-FiTEC ("Board") had resolved not to proceed with the acquisition of Viable Assets by the Company and accordingly, would be returning all excess capital to shareholders by way of a distribution.

2. CAPITAL DISTRIBUTION AND VOLUNTARY LIQUIDATION

In accordance with paragraph 4.37 of the Listings Requirements of JSE Limited ("**JSE Listings Requirements**"), as M-FiTEC will not be completing an acquisition of Viable Assets, the Company is required to complete a distribution to all shareholders *pro rata* to their holdings and propose a special resolution to shareholders for the voluntary liquidation of the Company.

The distribution must be the maximum amount, while still complying with the solvency and liquidity test pursuant to the Companies Act, 2008 (Act 71 of 2008), as amended, which equates to the aggregate amount held in escrow, net of applicable taxes and expenses related to the distribution and voluntary liquidation of M-FiTEC ("**Capital Distribution**").

The Board has determined the Capital Distribution to be:

- an amount of approximately R72 991 165 or R9.58 per M-FiTEC share to be distributed to shareholders on Monday, 2 October 2017 ("**First Distribution**"); and
- a further amount not exceeding R250 000 or 3.28 cents per M-FiTEC share, being the remaining cash balance after final settlement of legal fees, liquidation expenses, taxation and interest, which will be distributed to shareholders in due course ("**Final Distribution**").

Shareholders will be advised via SENS as to the final quantum and timing of the Final Distribution.

On the basis that shareholders approve same, M-FiTEC will be voluntarily liquidated, resulting in the cancellation and delisting of its shares on AltX ("**Voluntary Liquidation**").

3. SALIENT DATES AND TIMES

The proposed salient dates and times in respect of the Capital Distribution and Voluntary Liquidation are set out below:

Record date to determine which shareholders are entitled to receive the circular

2017
Friday, 18 August

Circular distributed to shareholders and declaration announcement released on SENS on

Wednesday 30 August

Last day to trade in order to vote at the General Meeting	Tuesday, 5 September
Record date to be eligible to vote at the General Meeting	Friday, 8 September
Last day to lodge forms of proxy for the General Meeting by 10:00 on	Friday, 15 September
General Meeting to be held at 10:00 on	Wednesday, 20 September
Results of General Meeting and finalisation announcement released on SENS on	Wednesday, 20 September
Last day to trade to be eligible to receive the Capital Distribution	Tuesday, 26 September
Suspension of M-FiTEC Shares on AltX	Wednesday, 27 September
Capital Distribution Record Date	Friday, 29 September
First Distribution payment date	Monday, 2 October
Delisting of M-FiTEC from AltX	Tuesday, 3 October

Notes:

1. The above dates and times are subject to amendment. Any such amendment will be released on SENS.

4. DISTRIBUTION OF CIRCULAR

Shareholders are advised that the circular containing full details of the Capital Distribution and Voluntary Liquidation, and incorporating a notice to convene a general meeting of M-FiTEC shareholders ("**General Meeting**") in order to consider and, if deemed fit, to pass, with or without modification, the resolutions set out in the notice of General Meeting included in the circular, has been distributed today, 30 August 2017, and is available on the Company's website at www.m-fitec.com.

5. NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting will be held at 10:00 on Wednesday, 20 September 2017 at Augusta @ Inanda Greens, 54 Wierda Road, Sandton, 2196, in order to consider and approve, with or without modification, the resolutions set out in the notice of General Meeting, which is contained in the circular.

6. WITHDRAWAL OF CAUTIONARY

Further to the cautionary announcement dated 9 June 2017 and the subsequent renewal of cautionary announcement dated 24 July 2017, shareholders are advised that further to this announcement, shareholders no longer need to exercise caution when dealing in M-FiTEC's shares.

Johannesburg
30 August 2017

Designated Adviser

Merchantec Capital