

("Thabex or the Company")
 Registration Number 1988/000763/06
 (Incorporated in the Republic of South Africa)
 JSE share code: TBX
 ISIN Code: ZAE00013686

Explore our website
www.thabex.com
 email:info@thabex.com

ACQUISITION OF 100% OF MONASTERY HOLDINGS (PTY) LIMITED ("Monastery Holdings")

1. INTRODUCTION

1.1 Thabex, through its wholly owned subsidiary Tradepost 121 (Pty) Limited ("Tradepost"), has entered into an agreement whereby it will acquire 100% of the issued share capital of Monastery Holdings ("Sale Shares"), from Messrs Auret Pritchard van Jaarsveld and Sidney Richard Gasson (collectively the "Sellers") (the "Acquisition").

1.2 The Acquisition constitutes a category 2 transaction in terms of the Listings Requirements of the JSE Limited ("JSE"). This announcement is for information purposes only and no action is required by Thabex shareholders with regards to the Acquisition.

2. BUSINESS OF MONASTERY HOLDINGS

Monastery Holdings is a company that holds all the Plant and Equipment on the Monastery Mine area in the district of Marquard, in the Free State Province. Tradepost, through its 94.6% held subsidiary Monastery Mine (Pty) Ltd ("Monastery Mine"), plans to utilise the Monastery Holdings plant to conduct bulk sampling of the stockpiled and near surface kimberlite in order to extract a representative sample of rough diamonds to confirm the historical reported grade of between 25 and 50 carat per 100 ton. During the period 1981 to 1984 the Monastery Holdings plant, produced 14 000 carats from the Monastery Kimberlite pipe.

3. RATIONALE FOR THE ACQUISITION

The rationale for the Acquisition is to enable Tradepost to utilise and modify Monastery Holding's 140 ton per hour Dense Medium Separator plant, which was constructed by Bateman, to process the tailings dumps around the plant area and from the Monastery Kimberlite pipe.

4. TERMS OF THE ACQUISITION

4.1. The subject of the Acquisition is 100% of the issued share capital of Monastery Holdings. The Sellers are Messrs Auret Pritchard van Jaarsveld, in respect of 55%, and Sidney Richard Gasson, in respect of the remaining 45%, of the Sale Shares.

4.2. The effective date of the Acquisition is 28 February 2010.

4.3. The purchase consideration for the Acquisition is the amount of R1.8 million which shall be settled through the issue of 1.2 million Thabex ordinary shares with a deemed value of R1.50 per share (the "Consideration Shares"). Auret Pritchard van Jaarsveld shall be issued 55%, and Sidney Richard Gasson, the remaining 45%, of the Consideration Shares.

4.4. The acquisition is subject to the following suspensive conditions, that the Sellers be and are able to deliver the subject shares on or before the date of signature of the agreement and that the Consideration shares be delivered to the Sellers before 31 March 2010. The subject shares are sold "voetstoots".

5. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

The pro forma financial effects of the acquisition are presented for illustrative purposes only and because of their nature may not give a fair reflection of Thabex's financial position nor of the effect on future earnings after the acquisition. Set out below are the unaudited pro forma financial effects of the acquisition, based on the The directors of Thabex are responsible for the preparation of the unaudited pro forma financial information.

Pro forma financial effects	Unaudited Before Acquisition (1)	Pro forma After Acquisition (2)(3)	Change %
Basic earnings per share(cents)	0.58	4.76	720.69
Diluted earnings per share(cents)	0.58	4.76	720.69
Headline loss per share(cents)	(11.73)	(11.14)	(5.03)
Diluted headline loss per share(cents)	(11.73)	(11.14)	(5.03)
Weighted average number of shares in issue	22 786 887	23 986 887	5.26
Net asset value per share (cents)	42.18	51.77	22.74
Net tangible asset per share(cents)	(20.31)	(7.59)	62.66
Number of share in issue	22 786 887	23 986 887	5.26

Notes and assumptions:

1. The information in the "Unaudited before Acquisition" column has been extracted from the unaudited interim results for the six months ended 31 August 2009.

2. The basic earnings, diluted earnings and headline loss per share in the "Pro forma after the Acquisition" have been calculated on the basis that the Acquisition was effected on 1 March 2009.

3. Based on a weighted average number of 23 986 887 million Thabex ordinary shares in issue during the six months ended 31 August 2009.

4. The net asset value and the net tangible asset value per share figures in the "Pro forma after the Acquisition" have been calculated on the basis that the Acquisition was effected on 31 August 2009.

6. ARTICLES OF ASSOCIATION OF MONASTERY HOLDINGS

As Monastery Holdings will become a subsidiary company of Thabex as defined in terms of the Companies Act, No 61 of 1973 (as amended), the Company will ensure that the articles of association of Monastery Holdings complies with Schedule 10 of the Listings Requirements of the JSE.

Johannesburg

25 February 2010

Sponsor



PSG CAPITAL