

Annexure B: SENS Announcement of the Issuer dated 18 May 2018

AVENG LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1944/018119/06)

Share code: AEG

Share ISIN: ZAE000111829

JSE 2019 Convertible Bond Code: AEGCB

JSE 2019 Convertible Bond ISIN: ZAE000194940

("Aveng", "the Company" or "the Group")

DETAILED CAUTIONARY ANNOUNCEMENT REGARDING THE POTENTIAL COMBINATION OF AVENG AND MURRAY & ROBERTS LIMITED ("MURRAY & ROBERTS") AND UPDATE ON CAPITAL MARKETS TRANSACTION

1. Introduction

Shareholders are referred to the announcement released on SENS on Thursday 26 April 2018 ("Capital Markets Transaction Announcement"), in which Aveng announced its intention to early redeem the R2 billion, 7.25% senior unsecured convertible registered bonds due 24 July 2019 still in issue (the "Existing Convertible Bonds") partly in cash and partly through the issue of new Aveng shares ("Early Bond Redemption"). In the Capital Markets Transaction Announcement, Aveng also announced its intention to launch a fully renounceable rights offer to qualifying shareholders (the "Proposed Rights Offer") with the intention to raise cash to fund internal capital requirements ("Retained Cash") and, to the extent that excess cash is raised, to fund the cash portion of the Early Bond Redemption. To the extent that the proceeds of the Proposed Rights Offer are insufficient to early redeem all of the Existing Convertible Bonds in cash, it was (and remains) Aveng's intention to settle the balance of the Early Bond Redemption through the issue of new Aveng shares ("Aveng Shares") to the existing convertible bondholders ("Existing Convertible Bondholders") or through a combination of new Aveng Shares and a new debt instrument. The Early Bond Redemption and the Proposed Rights Offer are collectively referred to as the "Capital Markets Transaction".

Shareholders are advised that subsequent to the announcement of the Capital Markets Transaction, following consultation with Aveng shareholders and bondholders, the boards of directors for Aveng and Murray & Roberts reached in principle agreement regarding the proposed terms of a potential combination of Aveng and Murray & Roberts ("M&R Transaction"). Shareholders are referred to the announcement released today by Murray & Roberts regarding the M&R Transaction.

Shareholders are advised that no formal offer has yet been made by Murray & Roberts. The making of a formal offer by Murray & Roberts is subject to the fulfillment and/or waiver of a number of pre-conditions. There is no certainty at this stage that the M&R Transaction will be completed

Aveng intends to proceed with the Capital Markets Transaction and wishes to provide shareholders with additional, updated information in relation to the Capital Markets Transaction as set out in paragraph 3 below. However, in light of the M&R Transaction, Aveng proposes to raise up to R500 million through the Proposed Rights Offer in order to fund the Retained Cash and detail of which is contained in paragraph 3.2. Murray & Roberts has indicated that it is supportive of Aveng proceeding to implement the Proposed Rights Offer, irrespective of whether the M&R Transaction proceeds or not.

Aveng has had initial engagement with its stakeholders, including shareholders, bondholders and bank funders, on the M&R Transaction as well as the Capital Markets Transaction.

2. M&R Transaction

2.1 Key commercial terms of the M&R Transaction

Subject to the fulfilment or waiver of the pre-conditions set out in paragraph 2.3 below (“Pre-conditions”), Murray & Roberts proposes to make an all share offer (“Potential Share Offer”) to acquire the entire issued and to be issued share capital of Aveng (“Potential Offer Shares”).

If a firm offer is made, the proposed aggregate value that will be attributable to the Potential Offer Shares at that time will be R1.0 billion (“Proposed Transaction Value”) assuming that Aveng raises at least R300 million in new capital in the Proposed Rights Offer (“Minimum Rights Offer Proceeds”). The Proposed Transaction Value will be reduced on a rand for rand basis by any shortfall in the Minimum Rights Offer Proceeds. The final Proposed Transaction Value and therefore final implied offer price per Aveng Share will be communicated at the time of making a formal offer (if made) post completion of the Proposed Rights Offer and fulfilment of the Pre-conditions.

The final Proposed Transaction Value will be settled in new Murray & Roberts ordinary shares to be issued at an issue price based on the prevailing 30 day volume weighted average price of Murray & Roberts ordinary shares calculated on the last practicable date prior to the implementation date of the Potential Share Offer.

In addition to the Potential Share Offer, Murray & Roberts proposes to early redeem the Existing Convertible Bonds, at a par value of R2.0 billion plus accrued interest (“M&R Early Bond Redemption”), calculated up to and including the date of settlement of the M&R Early Bond Redemption, being the date of closing of the M&R Transaction.

The M&R Early Bond Redemption will be funded by Murray & Roberts from a combination of new financing facilities of R1.8 billion (“New Facilities”) and available cash resources. Murray & Roberts has procured a credit approved term sheet from two funding banks for the New Facilities, which are subject to typical terms and conditions including executing final financing agreements.

2.2 Mechanism of the M&R Transaction

The Potential Share Offer, if made, will be implemented by way of a scheme of arrangement in terms of section 114 of the Companies Act, requiring, amongst other things, that a special resolution be passed by the requisite quorum of Aveng shareholders (“Scheme”). If the Scheme is implemented, Murray & Roberts intends to delist Aveng.

The M&R Transaction is expected to constitute a Category 1 transaction for Murray & Roberts in terms of the JSE Listings Requirements (“Listings Requirements”). In addition, an authority will be required to place the requisite number of shares for the Potential Share Offer under the control of the directors of Murray & Roberts. Prior to the implementation of the Scheme, the M&R Transaction will therefore require the approval of Murray & Roberts’ shareholders in a general meeting by way of ordinary resolution.

The M&R Early Bond Redemption will be implemented by amending the Existing Convertible Bond terms and conditions in order to facilitate the early redemption of the

Existing Convertible Bonds. The terms of the redemption are subject to Existing Convertible Bondholder approval.

2.3 Pre-conditions to making a formal offer

The making of a formal offer by Murray & Roberts to Aveng is subject to the satisfactory fulfilment or waiver of the following pre-conditions:

- Murray & Roberts shareholder approval in terms of section 126 of the Companies Act, as a consequence of receipt by Murray & Roberts of an offer from ATON GmbH (“ATON”) to acquire all or a portion of the issued shares in Murray & Roberts that it does not already own. ATON currently holds c.40% of the issued shares in Murray & Roberts;
- approval from the TRP in terms of section 126 of the Companies Act;
- satisfactory completion of reciprocal confirmatory due diligence by Murray & Roberts and Aveng;
- completion of the Proposed Rights Offer in accordance with its terms;
- satisfactory terms of the Scheme confirmed; and
- execution of final financing agreements in relation to the New Facilities.

2.4 Firm offer

The Potential Share Offer and M&R Early Bond Redemption are inter-conditional. As detailed in 2.1, the final Proposed Transaction Value and accordingly the implied final offer price per Aveng Share will be determined following the satisfactory completion of the confirmatory due diligence and the completion of the Proposed Rights Offer. Murray & Roberts intends to submit a firm offer post completion of the Proposed Rights Offer, subsequent to which a firm intention announcement will be made by Aveng. The firm offer will be subject to the suspensive conditions as set out in 2.5 below.

2.5 Suspensive conditions to the M&R Transaction

The M&R Transaction will be subject to the timeous fulfilment of the following suspensive conditions:

- a special resolution of the Aveng shareholders approving the Scheme;
- Murray & Roberts shareholders approving the Category 1 transaction, in terms of the Listings Requirements and placing sufficient ordinary shares under the control of the directors of Murray & Roberts;
- the approval of Existing Convertible Bondholders to amend the terms and conditions of the Existing Convertible Bonds to facilitate the early redemption of the Existing Convertible Bonds and to approve the terms of the redemption;
- approval of competition authorities in South Africa, Australia, New Zealand and certain other jurisdictions as required; and
- any other necessary statutory and/or regulatory and/or third party approval(s).

2.6 Other terms

In the event that (i) the firm intention letter is not received; or (ii) the circular to Murray & Roberts shareholders in respect of the Category 1 transaction is not posted in time for the general meeting to vote on the Category 1 transaction by 30 August 2018 or such later date

as agreed between the parties, Aveng shall be entitled, at its sole discretion, to terminate the M&R Transaction and any further negotiations between the parties.

3. Capital Markets Transaction

Shareholders are referred to the Capital Markets Transaction Announcement as well as the circular to Aveng shareholders posted on Monday, 30 April 2018. Aveng wishes to provide shareholders with more and updated information in relation to the Capital Markets Transaction as set out below:

3.1 Rationale for the Capital Markets Transaction

As at 31 December 2017, Aveng had gross debt of R3.25 billion including bank debt of R1.25 billion and the Existing Convertible Bonds of R2 billion. To date Aveng has utilised a further R350 million of bank debt and it is anticipated that Aveng will utilise a further R200 million bank debt (such funding remains subject to bank approval), thus increasing total bank debt to an amount of up to R1.8 billion. These current debt levels within the Group are considered to be unsustainable. As such, deleveraging the Company to reduce the existing debt-burden will be critical to unlock shareholder value. In particular, Aveng's Existing Convertible Bonds and the interim liquidity requirements are creating significant constraints on Aveng.

The Aveng board (the "Board") has considered alternatives for the potential refinancing of the Existing Convertible Bonds prior to their maturity. In addition to the difficult trading conditions the Company has been facing, the Board believes that uncertainty as to the Group's ability to refinance the Existing Convertible Bonds has contributed to the decline in the Aveng Share price over the recent months.

The Capital Markets Transaction will remove the refinance risk related to the Existing Convertible Bonds, provide a solution to the interim liquidity requirements and assist in restructuring Aveng Group's balance sheet to a more appropriate and sustainable level.

3.2 Early Bond Redemption

Aveng remains of the view that the Early Bond Redemption is in the best interest of all stakeholders should the M&R Transaction not be successful. As such Aveng is continuing with the process to amend the Existing Convertible Bond terms and conditions as detailed in the Capital Markets Transaction Announcement, to facilitate the Early Bond Redemption as soon as practically possible should the M&R Transaction not be successful.

To enable the Early Bond Redemption, Aveng will convene a meeting of Existing Convertible Bondholders to seek approval for the changes required to the terms and conditions to facilitate the early redemption of the Existing Convertible Bonds ("Special Bondholder Meeting"). At the Special Bondholder Meeting, approval of not less than 66.67% of a quorum of 75% of Existing Convertible Bondholders is required to effect the amendments to the Existing Convertible Bond terms and conditions. The foregoing amendments will also be subject to approval of the JSE.

A notice of the Special Bondholder Meeting and information relating to the amendments to the terms and conditions of the Existing Convertible Bonds will be distributed to Existing Convertible Bondholders in due course. The salient dates pertaining to the Special Bondholder Meeting will be published on SENS and will be contained in the notice.

3.3 Proposed Rights Offer

As a result of the M&R Transaction and the M&R Early Bond Redemption, Aveng will only look to raise an amount of up to R500 million through the Proposed Rights Offer. The proceeds of the Proposed Rights Offer will be used to fund the Retained Cash as detailed in the Capital Markets Transaction Announcement. The M&R Transaction is subject to various approvals and implementation may take more than six months. As such, Aveng requires new capital to be raised from the Proposed Rights Offer to ensure its interim liquidity requirements are met.

The Proposed Rights Offer will be conditional on shareholder approval to amend Aveng's Memorandum of Incorporation to inter alia increase the authorized share capital of Aveng to facilitate the Proposed Rights Offer. Additionally, shareholder approval will be required to grant directors authority to issue Aveng Shares representing more than 30% of the issued share capital of Aveng. The general meeting in order to pass the requisite resolutions will be held on 29 May 2018, the notice of which was sent to Aveng shareholders on Monday, 30 April 2018.

3.4 Bond Settlement

To the extent the M&R Transaction is successful, the Existing Convertible Bonds will be redeemed by the M&R Early Bond Redemption.

To the extent that the M&R Transaction is not successful, Aveng remains committed to early redeem the outstanding Existing Convertible Bonds as soon as practically possible. The amended terms and conditions of the Existing Convertible Bonds will allow for the early redemption of the outstanding Existing Convertible Bonds, which redemption is to be settled in cash or by the issue of new Aveng Shares or both. In the event that the M&R Transaction is not successful, Aveng will consider the viability of raising new cash from either the issue of new equity or a new debt instrument to settle all or a portion of the outstanding Existing Convertible Bonds. To the extent this is not viable, the outstanding Existing Convertible Bonds will be settled in the issue of new Aveng Shares. In this event, Aveng will allot and issue such Aveng Shares to the Existing Convertible Bondholders as a specific issue of shares for cash in accordance with the applicable requirements of the Listings Requirements and the provisions of the Companies Act ("Specific Issue"). The Specific Issue will be conditional on approval from independent shareholders.

The terms of the redemption, which will be subject to Existing Convertible Bondholder approval, will be finalized at such a time as Aveng is notified that the M&R Transaction is not successful.

4. Indicative timing

An indicative timeline for the implementation of the M&R Transaction and Proposed Rights Offer, is set out below, which timeline is subject to engagements with the TRP regarding the M&R Transaction and Murray & Roberts obtaining shareholder approval in terms of section 126 of the Companies Act.

- General meeting of Aveng shareholders to pass the requisite resolutions to implement the Proposed Rights Offer to be held on Tuesday, 29 May 2018, as detailed in the circular posted to shareholders on Monday, 30 April 2018;
- The terms of the Proposed Rights Offer will be finalised shortly after the receipt of the shareholder approvals referred to above;
- Murray & Roberts intend to make a firm offer after the completion of the Proposed Rights Offer;
- Murray & Roberts will post the circular in relation to the Category 1 transaction, including notice of general meeting after making the firm offer;

- Aveng shareholder meeting to approve the Scheme to be held in mid-August 2018; and
- Murray & Roberts shareholder meeting to approve the Category 1 transaction, in terms of the JSE Listings Requirements to be held by no later than 30 August 2018 or such later date as agreed between Aveng and Murray & Roberts.

To the extent the M&R Transaction is not successful, Aveng will announce further details with respect to the timing of the Early Bond Redemption at such time.

5. Guidance for Aveng Shareholders, cautionary announcement and renewal of cautionary announcement

The boards of directors of Murray & Roberts and Aveng have agreed to enter into formal negotiations with regards to the M&R Transaction which negotiations, if successfully concluded, may have a material effect on the price of both companies' securities. Accordingly, shareholders of Aveng are advised to exercise caution when dealing in their securities until further details pertaining to the M&R Transaction are announced. Furthermore, the Capital Markets Transaction is still ongoing and accordingly shareholders of Aveng are advised to continue exercising caution when dealing in their securities until further details pertaining to the Capital Markets Transaction are announced.

6. Responsibility statement

The boards of directors of Aveng accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of the information.

JSE Sponsor
UBS South Africa Proprietary Limited

Financial advisor and transaction sponsor for the Capital Markets Transaction
Rand Merchant Bank (A division of FirstRand Bank Limited)

Legal advisors
Baker McKenzie

Debt sponsor
Absa Bank Limited, acting through its corporate and investment banking division

18 May 2018
Jet Park

Michael Canterbury
Group Executive: Strategy & Investor Relations
Tel: 011 779 2979
Email: michael.canterbury@avenggroup.com

SENS Announcement of the Issuer dated 29 May 2018

AVENG LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1944/018119/06)

Share code: AEG

Share ISIN: ZAE000111829

JSE 2019 Convertible Bond Code: AEGCB

JSE 2019 Convertible Bond ISIN: ZAE000194940

("Aveng", "the Company" or "the Group")

UPDATE IN RELATION TO THE M&R TRANSACTION AND THE CAPITAL MARKETS TRANSACTION

1 Introduction

Aveng provides the following information advance of various potential corporate actions ahead of the general meeting today, 29 May 2018.

Shareholders are referred to the announcements released by Aveng on SENS on Thursday, 26 April 2018 ("Capital Markets Transaction Announcement") and on Friday, 18 May 2018 ("M&R Transaction Announcement") respectively, in which Aveng announced (i) its intention to early redeem the R2 billion, 7.25% senior unsecured convertible registered bonds due 24 July 2019 still in issue ("Early Bond Redemption"), (ii) its intention to launch a rights offer of up to R500 million ("Proposed Rights Offer") to raise cash to fund internal liquidity requirements (the Early Bond Redemption and the Proposed Rights Offer are collectively referred to as the Capital Markets Transaction), and (iii) that the boards of directors of Aveng ("Aveng Board") and Murray & Roberts ("Murray & Roberts Board") have reached in principle agreement regarding the proposed terms of a potential combination of Aveng and Murray & Roberts ("M&R Transaction"). Shareholders are further referred to the announcement released by Murray & Roberts on SENS on Friday, 18 May 2018, regarding the M&R Transaction.

Shareholders are reminded that no formal offer has yet been made by Murray & Roberts and that the making of a formal offer by Murray & Roberts is subject to the fulfilment and/or waiver of a number of preconditions as set out in the M&R Transaction Announcement. The making of a formal offer by Murray & Roberts to Aveng is subject to the satisfactory fulfilment or waiver of the following pre-conditions:

- Murray & Roberts shareholder approval in terms of section 126 of the Companies Act 2008, as amended ("Companies Act"), as a consequence of receipt by Murray & Roberts of an offer from ATON GmbH ("ATON") to acquire all or a portion of the issued shares in Murray & Roberts that it does not already own;
- approval from the Takeover Regulation Panel ("TRP") in terms of section 126 of the Companies Act;
- satisfactory completion of reciprocal confirmatory due diligence by Murray & Roberts and Aveng;
- completion of the Proposed Rights Offer in accordance with its terms;
- satisfactory terms of the scheme of arrangement confirmed; and
- execution of final financing agreements by Murray & Roberts in relation to the financing facilities of R1.8 billion.

2 Update on M&R Transaction

Shareholders are referred to the announcements released on SENS by ATON on Friday, 25 May 2018, and Monday, 28 May 2018, regarding ATON's acquisition of an additional c.18.2 million Murray & Roberts ordinary shares, increasing its shareholding in Murray & Roberts to c.43.7%, ATON's

withdrawal of its voluntary offer and its firm intention to make a mandatory offer for Murray & Roberts at an increased offer price of R17.00 on the basis as set out in the announcement. ATON has also previously released a public statement stating that it will not support the M&R Transaction.

Despite these recent developments, the Aveng Board remain of the opinion that there is merit in the potential combination of Aveng and Murray & Roberts, and believes that such a potential combination is in the best interest of the Company and its stakeholders. The Aveng Board is therefore continuing to engage with the Murray & Roberts Board and will continue progressing the M&R Transaction.

Aveng will keep shareholders updated with any further developments and progress in relation to the M&R Transaction.

3 Update on Proposed Rights Offer

Notwithstanding the M&R Transaction, Aveng remains committed to the implementation of the Proposed Rights Offer. As described in the Capital Markets Transaction it is critical for the Company to maximise proceeds from the Proposed Rights Offer in order for the Company to meet its interim liquidity requirements. It is anticipated that Aveng will utilise a further R200 million bank debt (such funding remains subject to bank approval). Aveng is currently finalising the funding term sheet with its funding banks in this regard.

Murray & Roberts is supportive of Aveng proceeding to implement the Proposed Rights Offer, irrespective of whether the M&R Transaction proceeds or not.

The Proposed Rights Offer is conditional on shareholder approval to amend Aveng's Memorandum of Incorporation to inter alia increase the authorized share capital of Aveng to facilitate the Proposed Rights Offer. Additionally, shareholder approval will be required to grant directors authority to issue Aveng Shares representing more than 30% of the issued share capital of Aveng. The general meeting in order to pass the requisite resolutions will be held today, 29 May 2018, the notice of which was sent to Aveng shareholders on Monday, 30 April 2018.

The terms and timing of the Proposed Rights Offer are expected to be announced to shareholders in due course.

As a result of the engagement with Murray & Roberts under the M&R Transaction, Aveng will need to apply to the TRP for consent to proceed with the Proposed Rights Offer under section 126 of the Companies Act.

4 Sale of identified assets and other properties

Shareholders are referred to Aveng's reviewed interim results for the six months ended 31 December 2017, released on 27 February 2018, in which Aveng announced the results of its strategic review (the "Strategic Review"). As part of the Strategic Review, Aveng announced its intention to dispose of its noncore assets, including Aveng Grinaker-LTA, Aveng Trident Steel, the Aveng Manufacturing businesses and other properties, allowing management to focus on the core operations of Moolmans and McConnell Dowell.

The Company continues to pursue the sale of the identified assets and has made progress in the disposals of Aveng Grinaker-LTA, Aveng Trident Steel and other properties. The Company will keep the shareholders informed as to the progress of the sale of these assets and will announce details to the market if a transaction is concluded. Aveng has also accelerated the preparation process for the sale of the Aveng Manufacturing businesses. Aveng will launch disposal processes for these assets shortly.

5 Renewal of cautionary announcements

The Aveng Board continues to progress its engagement with the Murray & Roberts Board with regards to the M&R Transaction which negotiations may have a material effect on the price of both companies' securities. Accordingly, shareholders of Aveng are advised to continue exercising caution when dealing in their securities until further details pertaining to the M&R Transaction are announced. Furthermore, the Capital Markets Transaction is still ongoing and accordingly shareholders of Aveng are advised to continue exercising caution when dealing in their securities until further details pertaining to the Capital Markets Transaction are announced.

6 Responsibility statement

The boards of directors of Aveng accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of the information.

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UBS South Africa Proprietary Limited

Financial advisor and transaction sponsor for the Capital Markets Transaction
Rand Merchant Bank (A division of FirstRand Bank Limited)

Legal advisors
Baker McKenzie

Debt sponsor
Absa Bank Limited, acting through its corporate and investment banking division

29 May 2018
Jet Park

Michael Canterbury
Group Executive: Strategy & Investor Relations
Tel: 011 779 2979
Email: michael.canterbury@avenggroup.com