

BLUE LABEL TELECOMS LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 2006/022679/07
Ordinary Shares share code: BLU
ISIN: ZAE000109088
("Blue Label" or "the Company")

FURTHER ANNOUNCEMENT REGARDING THE ACQUISITION BY THE PREPAID COMPANY PROPRIETARY LIMITED ("TPC") OF THE ENTIRE ISSUED SHARE CAPITAL OF RETAIL MOBILE CREDIT SPECIALISTS PROPRIETARY LIMITED ("RMCS")

1. UPDATE

Further to the SENS announcement of the 24th December 2013 regarding the acquisition by TPC, a wholly owned subsidiary of Blue Label, of the entire issued share capital of RMCS, Blue Label shareholders are advised that all of the conditions precedent to the transaction have been fulfilled or waived as at the 7th April 2014 and as such, the transaction is unconditional.

2. CONSIDERATION

The terms of the transaction remain unchanged, save for a downward adjustment to the initial payment payable towards the purchase consideration from R306 588 511 to R298 686 664. This change has no effect on the pro forma financial effects of the transaction.

Johannesburg

7 April 2014

Investment Bank and Sponsor: Investec Bank Limited