



Blue Label Telecoms Limited
(Incorporated in the Republic of South Africa)
(Registration number 2006/022679/06)
Share code: BLU ISIN: ZAE000109088
(“Blue Label” or the “Company”)

RESULTS OF THE GENERAL MEETING AND UPDATE ON THE CELL C RECAPITALISATION AND 3G ACQUISITION

1. Introduction

Blue Label shareholders are referred to the announcements released by the Company on the Stock Exchange News Service of the JSE Limited on Monday, 19 June 2017 and Tuesday, 27 June 2017, as well as to the circular issued to Shareholders dated Tuesday, 27 June 2017 (“Circular”).

Capitalised terms used but not otherwise defined in this announcement have the meaning ascribed to them in the Circular.

Shareholders are advised that at the general meeting of Blue Label Shareholders held on Wednesday, 26 July 2017 (“General Meeting”), all the resolutions set out in the notice and proposed at the meeting were passed without modification by the requisite majority of Shareholders.

2. Update on the conditions precedent to the Cell C Recapitalisation and 3G Acquisition

2.1. Cell C Recapitalisation

Closing of the Cell C Recapitalisation is anticipated to commence on Tuesday, 1 August 2017, and as a result, Cell C’s Net Borrowings will be reduced to a maximum of R6 billion, and the Cell C Recapitalisation will be complete.

As a result, Blue Label will undertake the Cell C Vendor Consideration Placement by placing 183,333,333 authorised but unissued Blue Label shares with committed third party investors, in terms of the relevant subscription agreements, at a price of R15.00 per Blue Label share so as to raise R2.75 billion to part fund the participation by Blue Label, through its wholly-owned subsidiary The Prepaid Company, in the Cell C Recapitalisation.

2.2. 3G Acquisition

Following the General Meeting referred to above, the initial acquisition by Blue Label through its wholly-owned subsidiary, The Prepaid Company, of 47.37% of the issued share capital of 3G is anticipated to close on Friday, 28 July 2017.

As a result, Blue Label will undertake the 3G Acquisition Issue by issuing 16,666,666 authorised but unissued Blue Label shares to the shareholders of 3G at a price of R15.00 per Blue Label share, as R250 million part payment towards the 3G purchase consideration.

Subject to approval by the JSE, the listing and trading of 199,999,999 new Blue Label shares is expected to commence on or about Thursday, 3 August 2017.

3. Results of the voting at the General Meeting

The resolutions were voted on as follows:

	Percentage (%)	Number

Total number of shares that could be voted at the meeting	100.00%	668,036,256
Total number of shares present/represented including proxies at meeting (including shares abstained from voting)	89.44%	597,466,606
Total number of members present		32

	Number of votes (one vote per share)		
	For	Against	Abstain
Ordinary resolution 1 - Approval of the amendments to the Cell C Recapitalisation	463,412,799	133,921,828	131,979
	77.58%	22.42%	0.02%*
Ordinary resolution 2 - Placing authorised but unissued shares under the control of directors for the purpose of the Cell C Vendor Consideration Placement pursuant to the Cell C Recapitalisation	597,331,732	2,895	131,979
	100.00%	0.00%	0.02%*
Ordinary resolution 3 - Placing authorised but unissued shares under the control of directors for the purpose of the 3G Acquisition Issue pursuant to the 3G Acquisition	597,331,732	2,895	131,979
	100.00%	0.00%	0.02%*
Ordinary resolution 4 - General authorising resolution	597,331,175	2,952	132,479
	100.00%	0.00%	0.02%*

* Percent of total issued shares outstanding

By order of the board

Sandton
27 July 2017

Financial Adviser and Sponsor
Investec Bank Limited

Legal Adviser to Blue Label
Werksmans Inc