



LABAT AFRICA LIMITED

Incorporated in the Republic of South Africa
(Registration number 1986/001616/06)
JSE code: LAB ISIN: ZAE000018354
("Labat" or "the Company" or "the Group")

WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the various cautionary announcements published on SENS in relation to the disposal of Force Fuel (Pty) Limited ("**Force Fuel**") and Force Fuel Properties (Pty) Limited ("**FFP**") (both in Business Rescue) and the negotiations with an Eastern Cape based pharmaceutical business to acquire 100% of its operations, the last of which was dated 16 August 2021.

The Board has decided not to pursue the pharmaceutical side of the cannabis industry at present due to the complex and developing nature of this industry from a regulatory point of view. Accordingly, Labat will no longer be pursuing the acquisition of the pharmaceutical business and will instead focus on the off-take agreement and local retail and research aspects of the cannabis industry, which also requires substantially less funding.

Shareholders are also advised that the Business Rescue Practitioner is now implementing the disposal of Force Fuel and FFP, which disposal is not expected to have any financial impact on Labat.

Accordingly, the cautionary announcement is now withdrawn.

JOHANNESBURG

28 September 2021

Sponsor

AcaciaCap Advisors Proprietary Limited

