Clinker production to commence in August 2014 at the Aganang integrated plant

Sephaku Holdings Limited (SepHold) advises its shareholders that its associate Sephaku Cement (Pty) Ltd (SepCem or the Company) has completed the commissioning of the clinker production facility at Aganang and is ready to commence with production. The first consignment of clinker will be delivered to the Delmas milling plant by the end of the month.

Chief executive officer, Dr Lelau Mohuba commented, “The production of its own clinker is an important step for SepCem, enabling it to become a fully integrated producer of cement. We are confident that it will soon become a strong and profitable competitor in the local market.”

Production of clinker at Aganang

Aganang integrated plant is SepCem’s flagship plant located at Litchenburg in the North West province of South Africa. To date, SepCem has been purchasing clinker to mill at Delmas where the Company has achieved more than 60% production capacity utilisation. This has enabled SepCem to enter the market whilst strengthening its sales function in preparation for increasing volumes. Consistent cement quality and exceptional service have enabled SepCem to successfully penetrate both the bag and bulk markets.

The targeted clinker production date was end of July 2014, however due to minor problems identified on the plant fan system as part of the normal hot commissioning, the process has been slightly prolonged. The cement production capacity at Aganang is approximately 1.1 million tonnes and Delmas is 1.4 million tonnes per year at steady state. The ramp up production at both plants will be based on market demand.

Authorised by
Chief executive officer
Dr. Lelau Mohuba

13 August 2014

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Sponsor to Sephaku Holdings: Questco (Pty) Ltd

About Sephaku Holdings Limited

Sephaku Holdings Limited (SepHold) is a building and construction materials company with a portfolio of investments in the cement sector in South Africa. The company’s core investments are a 36% stake in Sephaku Cement (Pty) Ltd (SepCem or the associate) and 100% in Métier Mixed Concrete (Pty) Ltd (Métier or the subsidiary). The strategy of SepHold is to generate income and realise value for shareholders through the production of cement and ready-mixed concrete in southern Africa. www.sephakuholdings.com