

**Anglo African Agriculture plc  
("AAAP" or the "Company")**

**Update on business and corporate activities.**

**Highlights:**

**Dynamic Intertrade – 100% owned Southern African spice business update**

- *3<sup>rd</sup> Quarter ending 31 July 2018 revenue in food manufacturing increases year on year by 14.8% to South African Rand 11,152m (from R9.713m)*
- *Tonnage of product sold increased by 11.34% to 321 tonnes 3Q 2018 vs 3Q 2017.*

**Kenya Port – Proposed loan facility, as announced on 30 August 2018**

- *Progress made on finalising loan to be made, subject to the raising of necessary finance and fulfilment of final conditions precedent, to Comarco port in Kenya.*
- *Comarco trading positively*
  - *has signed contracts with global oil and gas major ENI to provide storage, handling and offshore drilling support services for 2 years with annual extensions thereafter.*
  - *has secured extensions for existing supply base tenants, including Marubeni Itochu, Halliburton, BGP and Exalo Drilling.*
  - *Iron ore shipments have commenced. Iron ore port handling contracts now in place for over 1,000,000 of iron ore movement, with further optional extensions of 1,000,000 tonnes.*
  - *has signed a 10 year renewable contract with a major LPG distributor to provide space, mooring and throughput access. Ground is to be broken in September 2018.*

**David Lenigas, Chairman of AAAP, comments; "We are seeing a good uptrend in business activities from our core food manufacturing business in South Africa. The Company also believed it was important to update shareholders on Comarco's business activities in recent months. The Comarco commentary is important as, as announced on 30 August 2018, the Company is considering a secured loan to Comarco that, if closed, will be secured by a number of the port's assets. A strong Comarco provides a much better level of security for the proposed loan."**

Anglo African Agriculture plc (LSE: AAAP), the London Main Board listed company trading under the ticker symbol AAAP:LN, is pleased to provide the following update on its 100% owned Dynamic Intertrade (Pty) Limited ("**Dynamic**") spices and seasoning manufacturing business and a general update on the proposed loan facility to be provided to the Comarco port in Kenya in recent months.

**Update on South African food manufacturing business**

Dynamic has achieved a solid growth in 3rd quarter volumes and revenues for the quarter ending 31 July 2018. Sales for the quarter are up 14.8% in South African Rand terms from R9.713m (GBP0.575) to R11.152m (GBP0.641). In addition, gross margins have increased due to better buying and an increase in efficiencies. Volumes increased from 288 tonnes to 321 tonnes. Dynamic has increased its sales force by

3 sales people and anticipates delivering better performances over the next period. Dynamic had previously announced that new equipment purchased would reduce the cost structure, and this is evident in the increased margins. With that said, the underlying ingredients of the spice blends manufactured and sold by Dynamic are commodities and are subject to price fluctuations. Dynamic is continually expanding its product range and, working with AAAP's 46.8% owned subsidiary, Dynamic Intertrade Agri (Pty) Ltd, has just sold its first 20 tonnes of sugar.

Turning to management, Ronel Putter and Dave Ransom were appointed to the board of Dynamic Intertrade in South Africa as Financial and Sales director respectively.

Dynamic is based in a modern 3,000 m<sup>2</sup> FSSC compliant facility in Cape Town, South Africa and is involved in the importation, milling, blending and packaging of food products for the food manufacturing sector with bespoke lines that include herbs, spices, additives and seasonings for both the domestic and export markets.

### **Update on Comarco Group**

As announced on 30 August 2018, the Company has entered into a Memorandum of Understanding whereby it is proposed, subject to funding, that AAAP will provide a 24 month loan to help fund the growth of the privately owned port and marine logistics group, Comarco Group, based in Mombasa, Kenya. All proposed transactions between the Comarco Group and AAAP are subject to the completion of due diligence, the completion of legal documentation and the production of such valuations and opinions as the company shall consider appropriate, in each case satisfactory to AAAP in its sole discretion and subject to board approval. This is intended to be the first step of a diversification for AAAP, which the Directors believe will allow the Company to significantly grow its business.

During this calendar year, the Comarco Group has secured some new contracts and re-signed most of their existing major port clients. In January 2018 Comarco signed a contract with global oil major ENI to provide storage, handling and offshore drilling support services for two years with annual extensions thereafter. It also signed extensions for existing port tenants, including Marubeni Itochu, Halliburton, BGP and Exalo Drilling. During the year a handling and export contract of 1,000,000 tonnes of iron ore was secured, with further optional extension of 1,000,000 tonnes, using Comarco barges for stevedoring the cargo to bulk vessels at anchorage. Comarco has already moved 110,000 tonnes of iron ore to date. In June 2018 Comarco signed an additional contract for the handling and export of a further 200,000 tonnes of iron ore to be completed before December 2018.

In May 2018, Comarco signed a 10 year renewable contract with a major LPG distributor to provide space, mooring and throughput access. Ground is to be broken in September 2018.

Importantly, Comarco received confirmation in June 2018 of the extension of its stevedoring licence issued by the Kenya Government to operate the Comarco port on a private basis. The Comarco port is the only privately licensed facility in East Africa properly authorised to handle bulk, breakbulk and project cargoes.

The port is also in final contract negotiations with a large multinational to provide storage, handling and transport services of cargoes for the UN to East Africa.

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