

**AECI LIMITED**

(Incorporated in the Republic of South Africa with limited liability under registration number 1924/002590/06)
unconditionally and irrevocably guaranteed by

AECI MINING SOLUTIONS LIMITED (FORMALLY KNOWN AS AEL HOLDCO LIMITED)

(Incorporated in the Republic of South Africa with limited liability under registration number 2002/013171/06)
and

CHEMICAL SERVICES LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1967/003338/06)
and

PAARDEVLEI PROPERTIES PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1989/007165/07)

Issue of ZAR220,000,000 Senior Unsecured Fixed Rate Note Due 21 December 2017**Under its ZAR5,000,000,000 Domestic Medium Term Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 27 November 2015, prepared by AECI Limited in connection with the AECI Limited ZAR5,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

- | | | |
|----|--------------|---|
| 1. | Issuer | AECI Limited |
| 2. | Guarantors | AECI Mining Solutions Limited (formally known as AEL Holdco Limited)
Chemical Services Limited
Paardevelei Properties Proprietary Limited |
| 3. | Dealer | N/A |
| 4. | Manager | Rand Merchant Bank, a division of FirstRand Bank Limited |
| 5. | Debt Sponsor | Rand Merchant Bank, a division of FirstRand Bank Limited |
| 6. | Paying Agent | Rand Merchant Bank, a division of FirstRand Bank Limited |

	Specified Address	1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton
7.	Calculation Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
	Specified Address	1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton
8.	Transfer Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
	Specified Address	1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton

PROVISIONS RELATING TO THE NOTES

9.	Status of Notes	Senior Unsecured
10.	Form of Notes	The Notes in this Tranche are listed Notes, issued in uncertificated form and held by the CSD
11.	Series Number	1
12.	Tranche Number	1
13.	Aggregate Nominal Amount:	
	(a) Series	ZAR220,000,000
	(b) Tranche	ZAR220,000,000
14.	Interest	Interest-bearing
15.	Interest Payment Basis	Fixed Rate
16.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
17.	Issue Date	11 August 2017
18.	Nominal Amount per Note	ZAR1,000,000
19.	Specified Denomination	ZAR1,000,000
20.	Specified Currency	ZAR
21.	Issue Price	100%
22.	Interest Commencement Date	11 August 2017
23.	Maturity Date	21 December 2017
24.	Applicable Business Day Convention	Modified Following Business Day
25.	Final Redemption Amount	100% of the Aggregate Nominal Amount
26.	Last Day to Register	17h00 on 10 December 2017
27.	Books Closed Period(s)	The Register will be closed from 11 December 2017 to 20 December 2017 (all dates inclusive) until the Maturity Date
28.	Default Rate	N/A
FIXED RATE NOTES		
29.	(a) Fixed Rate of Interest	7.95%

(b)	Fixed Interest Payment Date(s)	21 December 2017
(c)	Fixed Coupon Amount(s)	N/A
(d)	Initial Broken Amount	N/A
(e)	Final Broken Amount	N/A
(f)	Determination Date(s)	11 August 2017
(g)	Day Count Fraction	Actual/365
(h)	Any other terms relating to the particular method of calculating interest	N/A

FLOATING RATE NOTES **N/A**

ZERO COUPON NOTES **N/A**

PARTLY PAID NOTES **N/A**

INSTALMENT NOTES **N/A**

MIXED RATE NOTES **N/A**

INDEX-LINKED NOTES **N/A**

DUAL CURRENCY NOTES **N/A**

EXCHANGEABLE NOTES **N/A**

OTHER NOTES **N/A**

PROVISIONS REGARDING REDEMPTION/MATURITY

30.	Redemption at the option of the Issuer:	No
31.	Redemption at the option of the Senior Noteholders:	No
32.	Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 11.5 (<i>Redemption in the event of a Change of Control</i>) or any other terms applicable to a Change of Control.	Yes
33.	Redemption in the event of a failure to maintain JSE listing and/or Rating at the election of the Noteholders pursuant to Condition 11.6 (<i>Redemption in the event of a failure to maintain JSE listing and/or Rating</i>).	Yes
34.	Early Redemption Amount(s) payable on redemption for taxation reasons pursuant to Condition 11.2 (<i>Redemption for Tax Reasons</i>), on Event of Default pursuant to Condition 17 (<i>Events of Default</i>), on a Change of Control pursuant to Condition 11.5 (<i>Redemption in the event of a Change of Control</i>) or in	No

relation to a failure to maintain a JSE listing and/or Rating pursuant to Condition 11.6 (*Redemption in the event of a failure to maintain JSE listing and/or Rating*) (if required or if different from that set out in the relevant Conditions).

GENERAL

35.	Financial Exchange	Interest Rate Market of the JSE
36.	Additional selling restrictions	N/A
37.	ISIN No.	ZAG000145988
38.	Stock Code	AECI00
39.	Stabilising manager	N/A
40.	Provisions relating to stabilisation	N/A
41.	Method of distribution	Private Placement
42.	Rating assigned to the Issuer	The Issuer has been assigned a credit rating of A _(ZA) (Long term) and A1 _(ZA) (Short term), assigned in May 2017 and to be reviewed annually.
43.	Applicable Rating Agency	Global Credit Ratings Co.
44.	Governing law (if the laws of South Africa are not applicable)	N/A
45.	Other provisions	N/A

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS IN RELATION TO THIS ISSUE OF NOTES

46. Paragraph 3(5)(a)
The "ultimate borrower" (as defined in the Commercial Paper Regulations) is the Issuer.
47. Paragraph 3(5)(b)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
48. Paragraph 3(5)(c)
The auditor of the Issuer is KPMG Incorporated.
49. Paragraph 3(5)(d)
As at the date of this issue:
- (a) the Issuer has not issued Commercial Paper (as defined in the Commercial Paper Regulations); and
 - (b) the Issuer estimates that it will not issue any further Commercial Paper during the current financial year, ending 31 December 2017.
50. Paragraph 3(5)(e)
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.
51. Paragraph 3(5)(f)
There has been no material adverse change in the Issuer's financial position since the date

of its last audited financial statements.

52. Paragraph 3(5)(g)

The Notes issued will be listed.

53. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

54. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are guaranteed in terms of the Guarantee provided by the Guarantors but are otherwise unsecured.

55. Paragraph 3(5)(j)

KPMG Incorporated, the statutory auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Applicable Pricing Supplement and the Programme Memorandum which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement and the Programme Memorandum contains all information required by law and the debt listings requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the Programme Memorandum, except as otherwise stated herein.

The authorised Programme Amount of ZAR5,000,000,000 has not been exceeded.

Application is hereby made to list this issue of Notes on 11 August 2017.

SIGNED at Securiton on this 10th day of August 2017

For and on behalf of

AECI LIMITED



Name: KM Kathan

Capacity: Director

Who warrants her/his authority hereto



Name: Mark Dyron

Capacity: Director

Who warrants her/his authority hereto