**Market Notice**

**18 July 2012**

**Subject: FULL CAPITAL REDEMPTION**

***(African Bank Limited – “ABLS1”)***

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In accordance with the provisions of the terms and conditions of African Bank Limited (‘**African Bank’**) R300 000 000 Unsecured Secondary Capital Notes due 8 August 2017(**“ABLS1”**)whichis redeemable at the option of the Issuer under sections 26 and 27 (‘**Issuers Optional redemption**’) of the Pricing Supplement signed on 6 August 2007 with an Optional Redemption Date at any time on or after 8 August 2012, **Noteholders are hereby notified that African Bank has exercised its option to redeem the Notes in terms of the “Optional Redemption” provisions of ABLS1 with an Optional Redemption Date effective 8 August 2012**.

In accordance with the Terms and Conditions, the Registrar of Banks has granted written approval of the redemption of the ABLS1 Note at the option of the Issuer.

**Optional Redemption Amount Outstanding after Optional Redemption**

**ABLS1** R300,000,000.00 R0.00

For further information on the Note issue please contact:

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