

Ruling of the Securities Regulation Panel ("the Panel")

In Re:

**The Appeal by
MGX Holdings Limited
and
the Trustees of the Mandy Rebecca Price Trust**

Appellants

**against the ruling of the Executive Committee
of the Panel dated 5 July 2001 and 7 August 2001**

Respondent

- 1. Having heard evidence and considered the oral and written submissions of the parties, the Panel rules unanimously that the Appellants were acting in concert for the purposes of entering into an affected transaction. Accordingly the Appeal is dismissed.**
- 2. The Appellants are ordered jointly and severally forthwith to make an unconditional offer to all persons other than the two Appellants who were shareholders of EC Hold Limited on 11 October 1999 to purchase all such person's shares in EC Hold Limited. The offer price shall be R2,40 per share and the offer shall in all other respects comply with Section F Rule B of the Panels' Rules and Code and all other applicable rules of the Panels' Rules and Code.**
- 3. The matter of the costs of the Panel was raised but not argued by the Parties during the course of proceedings before the Panel and to avoid further delays the Panel orders that its costs and the costs of the Executive Committee whose decision was taken on Appeal shall be paid by the Appellants jointly and severally but either the Appellants or the Executive Committee shall be entitled for a period of 10 business days to require the Panel to hear argument why that order for costs should be varied.**

N.B. The attention of persons referred to in the above orders who ceased to be shareholders of EC Hold Limited on or after 11 October 1999, and of the Appellants, is directed to the provisions of Section 440M(4) of the Companies Act No. 61 of 1973 as amended, which reads as follows:

"440M(4)

Any person who contravenes any of the rules shall be liable to any other person for any loss or damage suffered by that person as a result of such contravention."

It will be advisable for interested parties to consult their legal advisors as to their respective rights and obligations.

Dated at Johannesburg this 18th day of March 2002.

**Chairperson
C A JAFFÉ**