

**IN THE APPEAL BEFORE THE APPEAL COMMITTEE OF THE
SECURITIES REGULATION PANEL**

In the matter between:

FREEWORLD COATINGS LIMITED

Appellant

And

KANSAI PAINT CO. LTD

Respondent

RULING OF THE APPEAL COMMITTEE

The Securities Regulation Panel Appeal Committee, after hearing oral submissions and perusing written submissions presented by Counsel for the Appellant and Respondent, rules as follows:

1. The Appellant's appeal related to the approval of the Respondent's Offer Circular and such approval constitutes an administrative action and is therefore appealable in terms of the Securities Regulation Panel Code and Rules.

2. The appeal is dismissed on the basis that the Offer Circular as approved by the Executive Director is not in breach of General Principle 4 and Rule 28.7 of the Securities Regulation Panel Code and Rules.

3. The timetable is not cast in stone and as such is subject to change.

Note 2 on page 8 of the Offer Circular makes this fact patently clear. This nullifies the purported deviation.

4. The Offer Circular contains sufficient information to enable any shareholder to make a decision on whether to accept the offer or not to accept it.

5. The Offer Circular further states that any Shareholder who is “in any doubt as to what action to take” should seek expert advice.

6. Any party is at liberty to approach the Executive Director for consent to extend the closing period seeing that both parties are *ad idem* that the offer ought not to lapse.

7. Full reasons of this ruling will be furnished within 14 days of this ruling.

8. The Appellant is ordered to pay the costs of the Panel

Signed on this 17th day of February 2011

Nano Matlala

Chairperson

I agree:

J Damons

Panel Member

I agree:

M Brits

Panel Member

I agree:

M Ramagaga

Panel Member

I agree:

A Khumalo

Panel Member

I agree:
