

Distribution and Warehousing Network Limited

(Incorporated in the Republic of South Africa)

(Registration number 1984/008265/06)

Share code: DAW & ISIN code: ZAE000018834

("Dawn" or "the Group")

ANNOUNCEMENT: BREACH AND CONDONATION OF BREACH: BANK COVENANT AS AT THE JUNE 2017 MEASUREMENT DATE

Dawn shareholders are hereby advised in compliance with the general obligation of disclosure in terms of JSE Listings Requirements that, as at the June 2017 measurement date, Dawn breached one of the financial covenants contained in the term sheet governing the group's banking facilities with ABSA Bank Limited. This is as a result of the group lagging behind its budgeted profitability. Dawn further advises that, based on engagements by the Group to date, ABSA has formally condoned the breach.

The Group continues to work closely with its bank to maintain adequate funding facilities whilst the turnaround plan is being executed.

2 August 2017

Johannesburg

Sponsor: Deloitte & Touche Sponsor Services (Pty) Ltd