
APPLICABLE PRICING SUPPLEMENT



**Consolidated
Infrastructure
Group Limited**

CONSOLIDATED INFRASTRUCTURE GROUP LIMITED

(Established and incorporated as a public company with limited liability in accordance with the laws of South Africa under registration number 2007/004935/06)

**Issue of ZAR118,000,000 Tranche 1 Senior Unsecured Floating Rate Notes
due 30 June 2019 (CIG05)**

Under its ZAR1,000,000,000 Domestic Medium Term Note Programme

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 3 May 2012 and approved by the JSE on 3 May 2012, prepared by Consolidated Infrastructure Group Limited in connection with the Consolidated Infrastructure Group Limited ZAR1,000,000,000 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.

DESCRIPTION OF THE NOTES

1. Issuer **Consolidated Infrastructure Group Limited**

2.	Status of Notes	Unsecured
3.	Form of Notes	Uncertificated Notes
4.	Series Number	CIG05
5.	Tranche Number	1
6.	Aggregate Nominal Amount:	
	(a) Series	ZAR118,000,000
	(b) Tranche	ZAR118,000,000
7.	Interest	Interest-bearing
8.	Interest Payment Basis	Floating Rate
9.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	Not applicable
10.	Form of Notes	Registered Notes: The Notes in this Tranche are issued in uncertificated form and held by the CSD
11.	Issue Date	30 June 2014
12.	Specified Denomination	ZAR100,000
13.	Issue Price	100 percent
14.	Interest Commencement Date	30 June 2014
15.	Maturity Date	30 June 2019
16.	Applicable Business Day Convention	Following Business Day
17.	Final Redemption Amount	ZAR118,000,000 (being 100% of the Aggregate

		Principal Amount)
18.	Last Date to Register	24 June, 24 September, 25 December or 25 March which shall mean that the Register will be closed from each Last Day to Register to the next applicable Payment Day or 5 days prior to the actual redemption date
19.	Books Closed Period(s)	From and including 25 June to (but excluding) 30 June, from (and including) 25 September to (but excluding) 30 September, from (and including) 26 December to (but excluding) 31 December, from (and including) 26 March to (but excluding) 31 March in each year until the Redemption Date
20.	Value of Aggregate Nominal Amount of all Notes issued under the Programme as at the Issue Date (excluding the CIG03, CIG04 and CIG05 issues)	ZAR400,000,000

FLOATING RATE NOTES

21.	(a) Floating Interest Payment Date(s)	30 June, 30 September, 31 December and 31 March
	(b) Interest Period(s)	30 June to 29 September (inclusive), 30 September to 30 December (inclusive), 31 December to 30 March (inclusive) and 31 March to 29 June (inclusive)
	(c) Definition of Business Day (if different from that set out in	Not applicable

Condition I
(Interpretation))

- | | | |
|-----|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| (d) | Minimum Rate of Interest | Not applicable |
| (e) | Maximum Rate of Interest | Not applicable |
| (f) | Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) | Actual/365 |
| 22. | Manner in which the Rate of Interest is to be determined | Screen Rate Determination |
| 23. | Margin | 350 basis points to be added to the relevant Reference Rate |
| 24. | If ISDA Determination: | |
| (a) | Floating Rate | Not applicable |
| (b) | Floating Rate Option | Not applicable |
| (c) | Designated Maturity | Not applicable |
| (d) | Reset Date(s) | Not applicable |
| (e) | ISDA Definitions to apply | Not applicable |
| 25. | If Screen Determination: | |
| (a) | Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated) | 3 month JIBAR |

- | | | |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (b) | Interest Rate Determination Date(s) | The first Business Day of each Interest Period |
| (c) | Relevant Screen Page and Reference Code | Reuters Screen SAFETY page under caption "Yield" as at approximately 11h00, Johannesburg time on the relevant Rate Determination Date, rounded to the third decimal point |
| 26. | If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions | Not Applicable |
| 27. | If different from the Calculation Agent, agent responsible for calculating amount of principal and interest | Not Applicable |

PROVISIONS REGARDING REDEMPTION/MATURITY

- | | | |
|-----|------------------------------------------------------------------------------------|----------------|
| 28. | Issuer's Optional Redemption: | No |
| | If yes: | |
| (a) | Optional Redemption Date(s) | Not Applicable |
| (b) | Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | Not Applicable |

- | | | |
|-----|-----------------------------------------------------------------------------------------------------------------------------|----------------|
| (c) | Minimum period of notice (if different from Condition 10.3
<i>(Redemption at the Option of the Issuer)</i>) | Not Applicable |
| (d) | If redeemable in part: | Not Applicable |
| | Minimum Redemption Amount(s) | Not Applicable |
| | Higher Redemption Amount(s) | Not Applicable |
| (e) | Other terms applicable on Redemption | Not Applicable |
| 29. | Redemption at the Option of the Senior Noteholders: | No |
| | if yes: | |
| (a) | Optional Redemption Date(s) | Not Applicable |
| (b) | Optional Redemption Amount(s) | Not Applicable |
| (c) | Minimum period of notice (if different from Condition 10.4
<i>(Redemption at the Option of the Senior Noteholders)</i>) | Not Applicable |
| (d) | If redeemable in part: | |
| | Minimum Redemption Amount(s) | Not Applicable |

	Higher Redemption Amount(s)	Not Applicable
(e)	Other terms applicable on Redemption	Not Applicable
(f)	Attach pro forma put notice(s)	Not Applicable
30.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required).	Final Redemption Amount
	If no:	
(a)	Amount payable; or	Not applicable
(b)	Method of calculation of amount payable	Not applicable

GENERAL

31.	Financial Exchange	JSE Limited
32.	Calculation Agent	Investec Bank Limited
33.	Paying Agent	Investec Bank Limited
34.	Settlement Agent	The Standard Bank of South Africa Limited
35.	Specified office of the Paying Agent	100 Grayston Drive, Sandown, Sandton, 2196
36.	Transfer Agent	Investec Bank Limited
37.	Provisions relating to stabilisation	Not Applicable

38.	Stabilising manager	Not Applicable
39.	Additional selling restrictions	Not Applicable
40.	ISIN No.	ZAG000117334
41.	Stock Code	CIG05
42.	Method of distribution	Private Placement
43.	If syndicated, names of Managers	Not Applicable
44.	If non-syndicated, name of Dealer	Investec Bank Limited
45.	Governing law (if the laws of South Africa are not applicable)	Not Applicable
46.	Use of proceeds	The funds to be raised through the issue of Notes will be used by the Issuer to refinance existing debt and for general business purposes.
47.	Pricing Methodology	Standard JSE pricing methodology
48.	Other provisions	See Appendix A and B
49.	Issuer Rating and issue date	National scale long-term corporate family rating ('CFR') of Baa2.za and a short- term national scale CFR of P-2.za
50.	Programme Rating and issue date	Not Applicable
51.	Notes Rating and issue date	Not Applicable
52.	Date of expected rating review	March 2015
53.	Rating Agency	Moodys

54. Trade Type

Yield

**DISCLOSURE REQUIREMENTS IN
TERMS OF PARAGRAPH 3(5) OF
THE COMMERCIAL PAPER
REGULATIONS**

55. Paragraph 3(5)(a)

The ultimate borrower is the
Issuer.

56. 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.

57. Paragraph 3(5)(c)

The auditor of the Issuer is Grant
Thornton (Jhb) Inc.

58. Paragraph 3(5)(d)

As at the date of this issue (that
excludes the CIG03, CIG04 and
CIG05 issue):

- (i) the Issuer has issued
ZAR400,000,000 of Notes;
and
- (ii) the Issuer estimates that it
may issue
ZAR400,000,000 of Notes
~~during the current financial~~

year, ending 31 August
2014.

59. 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.

In addition, prospective investors in the Note are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

60. 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.

61. Paragraph 3(5)(g)

The Notes issued will be listed.

62. Paragraph 3(5)(h)

~~The funds to be raised through~~



the issue of Notes will be used by the Issuer to refinance existing debt and for general business purposes.

63. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Note are unsecured.

64. Paragraph 3(5)(j)

Grant Thornton (Jhb) Inc, the statutory auditors of the Issuer, have confirmed that nothing has come to their attention that causes them to believe that the Placing Documents do not comply in all material respects with the provisions of the Notice and they confirm that the audited financial information included to the Placing Documents has been prepared in terms of International Financial Reporting Standards.

Grant Thornton (Jhb) Inc will ensure that the Issuer will publish and submit audited annual financial statements to the JSE that have been prepared in terms of International Financial Reporting Standards.

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Responsibility:


The Issuer (who has taken all reasonable care to ensure that such is the case) certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

Application is hereby made to list this issue of Notes on 30 June 2014.

SIGNED at SANDTON on this 25th day of JUNE
2014

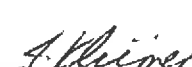
for and on behalf of

CONSOLIDATED INFRASTRUCTURE GROUP LIMITED



Name: R GAMSÄ
Capacity: CEO

Who warrants his/her authority hereto



Name: I KUTTNER
Capacity: CEO

Who warrants his/her authority hereto

APPENDIX "A"

ADDITIONAL/AMENDED TERMS AND CONDITIONS RELATING TO THE TRANCHES OF NOTES OF THE SERIES REFERRED TO IN THIS APPLICABLE PRICING SUPPLEMENT

FINANCIAL COVENANTS

The Terms and Conditions set out in the Programme Memorandum are amended by the insertion of the following Financial Covenants as Condition 23, which Financial Covenants shall apply to the Notes referred to in this Applicable Pricing Supplement only (and all references to Notes or Noteholders shall be construed accordingly).

The capitalized terms that are used below and that are not defined in the Programme Memorandum will have the meanings as set out in Appendix "B" of this Applicable Pricing Supplement.

23. FINANCIAL COVENANTS

23.1. The Issuer undertakes to the Noteholders that for as long as any Notes remain Outstanding, it shall ensure that in respect of any Measurement Period or Measurement Date, as the case may be:

23.1.1. the Cover Ratio shall be at least 4.00 times;

23.1.2. subject to clause 23.3 below, the Residual Asset Ratio shall be at least 1.85 times; and

23.1.3. Net Debt To Equity shall not exceed 50%,

(each, a "Financial Covenant").

23.2. The Issuer shall calculate the Financial Covenants in accordance with IFRS by reference to the Financial Statements, which calculation shall be finally determined in writing by the auditors of the Issuer ("Auditors Certification"). The Issuer shall procure that the Auditors Certification is delivered to the Noteholders no later than 10 Business Days after the publication of the relevant Financial Statements (in respect of the relevant Measurement Period).

23.3. In the event that the Residual Asset Ratio falls below 2.00 times (as notified to the Noteholders in accordance with clause 23.2 above), the Issuer shall convene a meeting of Noteholders in accordance with clause 20 of the Terms and Conditions for the purpose of giving the Noteholders an opportunity to discuss and assess the financial position of the Group. It is recorded for the avoidance of doubt that an Event of Default shall only occur if the Residual Asset Ratio falls below 1.85 times.

APPENDIX "B"

ADDITIONAL DEFINITIONS IN RESPECT OF NOTES OF THE SERIES

Terms and expressions set out below will have the meanings set out below in the Terms and Conditions of the Notes of the Tranches referred to in this Applicable Pricing Supplement:

- "Cash"** means, as of the relevant Measurement Date (calculated on a consolidated basis) the amount of cash in hand or at bank and (in the latter case) credited to an account in the name of a member of the Group;
- "Cover Ratio"** means in respect of a Measurement Period, the historical ratio of EBITDA to Net Interest at the end of that relevant Measurement Period;
- "Debtors"** means, as at the relevant Measurement Date, trade and other debtors receivables, including amounts due from "contract customers" and "retention debtors" as those terms are used in the Financial Statements;
- "EBITDA"** means for the purpose of calculating the Cover Ratio for the relevant Measurement Period, the operating income of the Group (which shall, for the purpose of this calculation, include the proportionate income attributable to Minority Investments), before interest, tax, depreciation and amortisation charged or incurred, calculated in accordance with IFRS on a basis consistent and in accordance with the calculation thereof for purposes of the previous financial statements of Group, as the case may be, but taking no account of:
- any extraordinary items in accordance with IFRS;
 - any unrealised gains and losses on any financial instrument which is reported through the income statement;
 - any increase or decrease in the foreign currency translation

	<p>reserves accounted for in the income statement;</p> <ul style="list-style-type: none"> • any charge for impairment of goodwill or any reversal of any impairment of goodwill charge; • any realised or unrealised gains or losses in respect of any hedging arrangements.
“Equity”	means, as at the relevant Measurement Date, the aggregate value (calculated on a consolidated basis) of the equity (as that term is understood in terms of IFRS) of the Group as reflected in the latest Financial Statements;
“Financial Half Year”	means the period commencing on the day after the Half Year Date and ending on the next Half Year Date;
“Financial Statements”	means the audited consolidated financial statements of the Group, if available, failing which the unaudited consolidated management accounts of the Group for the relevant Measurement Period;
“Financial Year”	means the annual accounting period of the Group ending on 31 August in each year;
“Half Year Date”	means the last day of February in each year;
“Interest Bearing Liabilities”	means as at the relevant Measurement Date, the aggregate Indebtedness of any member of the Group in respect of which interest is payable but excluding any guarantee other than a guarantee under which a demand has been made by the guaranteed party;
“Measurement Date”	means the Financial Year End and Half Year Date;
“Measurement Period”	means each period of 12 months ending on or about the last day of the Financial Year and each period of 12 months ending on or

about the last day of each Financial Half Year;

“Minority Investments” means any investment or entity (which is not itself a member of the Group (including associates and joint ventures) in which any member of the Group has an ownership interest which is not consolidated into the Financial Statements of the Group;

“Net Debt To Equity” means, as at the relevant Measurement Date, the amount calculated in accordance with the following formula:

$$A = \frac{B - C}{D}$$

where A = Net Debt To Equity;

B = Interest Bearing Liabilities;

C = Cash; and

D = Equity.

“Net Interest” means, for the relevant Measurement Period, the aggregate amount of accrued interest and other finance payments in respect of Indebtedness paid or payable by any member of the Group (calculated on the consolidated basis) in respect of that Measurement Period after deducting any interest received or receivable in that Measurement Period by any member of the Group;

“Residual Asset Ratio” means, as at the relevant Measurement Date, the ratio calculated in accordance with the following formula:

$$A = \frac{B}{C}$$

where A = Residual Asset Ratio; and

B = Residual Asset Value as at the relevant Measurement Date; and

C = aggregate outstanding Nominal Amount of the Notes as at the relevant Measurement Date.

“Residual Asset Value” means, as at the relevant Measurement Date, the amount calculated in accordance with the following formula:

$$A = B - C$$

Where A = Residual Asset Value;

B = Stressed Asset Value as at the relevant Measurement Date;

C = Secured Indebtedness Value as at the relevant Measurement Date.

“Secured Indebtedness Value” means, as at the relevant Measurement Date, the aggregate value of the following Indebtedness:

- overdraft facilities, as to the outstanding balance as at the relevant Measurement Date;
- other secured debt / asset finance, as to the outstanding balance as at the relevant Measurement Date;
- secured guarantees / performance bonds, as to 10% of the aggregate value thereof.

“Stressed Assets Value” means as at the relevant Measurement Date, the aggregate value of the following assets of the Group:

- Debtors, as to 70% of the aggregate value thereof;
- Cash, as to 100% of the aggregate value thereof;
- Plant, Property and Equipment, as to 60% of the aggregate value thereof;

- Inventory, as to 50% of the aggregate value thereof;
- Listed Investments, as to 80 % of the aggregate value thereof;
- Unlisted Investments, as to 60% of the aggregate value thereof;
- mining rights, as to 60% of the aggregate value thereof.

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