

VOX TELECOM LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1998/016433/06)

("Vox" or "the Company")

JSE Code: VOX ISIN Code: ZAE 000097234

**TRADING UPDATE, UPDATE REGARDING DEALSTREAM SECURITIES AND
RELATED EFFECTS ON VOX AND CHANGES TO THE BOARD**

1. TRADING UPDATE

In accordance with paragraph 3.4 of the Listings Requirements of the JSE Limited ("the JSE"), a listed company is required to publish a trading statement as soon as it becomes aware, with a reasonable degree of certainty, that the financial results for the next period to be reported on are likely to vary by more than 20% from the previous corresponding period.

The Company's financial results for the year ended 31 August 2008 are expected to be announced on or about 19 November 2008. Shareholders are advised that a reasonable degree of certainty exists that the company's earnings per share ("EPS") and headline earnings per share ("HEPS") are expected to be between 45% to 55% lower than 7.67 cents per share reported in the prior year as a result of the collapse of Dealstream Securities (Proprietary) Limited ("Dealstream") and reported related events ("the Dealstream events") referred to in more detail below.

However, if the Dealstream events and related effects on Vox are excluded from the calculation above, EPS and HEPS would have been between 20% to 30% higher than 7.67 cents per share achieved respectively in the prior year. The Dealstream events are regarded as exceptional in nature or 'once off' and have no direct impact on the operational performance of the Company.

This trading statement has not been reviewed or reported on by the Company's external auditors.

2. FURTHER UPDATE REGARDING DEALSTREAM SECURITIES

Following the SENS announcements dated 23 September 2008 and 26 September 2008 with regard to the Dealstream events, the Company would like to update shareholders on the following matters.

2.1 FSB Investigation and Curatorship of Dealstream

The Financial Services Board ("FSB") have issued an inspection report on Dealstream. This investigation was conducted at the request of the Registrar of Securities Services and Financial Services Providers and the report formed part of the documents presented in a hearing in the Pretoria High Court on Tuesday 7 October 2008 for the appointment of a curator for Dealstream.

Vox fully supports the FSB's investigation of Dealstream although Vox has not yet had the opportunity to engage with the FSB with respect to its investigation.

Vox has met directly with the curator of Dealstream and detailed the basis of the Company's claim against Dealstream. The Company's legal advisors are in the process of formally compiling this claim, which will be lodged with the curator in due course.

2.2 Forensic investigation

The Company has appointed a firm of independent forensic auditors ("forensic auditors") to investigate the possible misappropriation of Company assets by Dealstream. This investigation is underway and the curator has agreed to cooperate with Vox where required.

As a result of this investigation, it has come to the attention of the directors that 27 300 000 shares issued by the Company for the purposes of a share incentive scheme established for the benefit of the Company's employees and which were held by a third party, may have been misappropriated by Dealstream and the recoverability thereof materially prejudiced.

The forensic auditors, the Company's legal advisors and the curator are investigating the circumstances under which these shares appear to have been

misappropriated and in the event of their non-recoverability, the additional exposure to the Company would be a reduction in equity of approximately R17 million with no related income statement effect.

2.3 Criminal action

The Company has been advised by its attorneys that in terms of the Prevention and Combatting of Corrupt Activities Act 12 of 2004, the directors of the Company have a duty to report any theft, fraud, extortion, forgery or uttering a forged document that comes to their attention, where the amount in question exceeds R100 000.

On the basis of current available information the Company has instructed its attorneys to report the perpetrators to the prosecuting authorities and to assist the relevant authorities in any ensuing investigation and prosecution.

Should the forensic investigation or any of the other processes reveal the involvement of further participants in any criminal activity then Vox will seek the full remedy available to it in law against such perpetrators.

2.4 Directors dealing in securities

On Monday, 22 September 2008, the Company directors and staff formally notified Dealstream to close their Contracts For Difference ("CFD") positions with immediate effect and the proceeds thereof be remitted to the respective counter-parties' bank accounts. This instruction was as a result of the Dealstream events.

Given the Dealstream events it is now likely that the receipt of proceeds in respect of closed out CFD positions previously held with Dealstream have been materially prejudiced.

In addition, two directors, Doug Reed and Jacques du Toit, held open positions in Vox via Single Stock Futures through another JSE member, which have now been closed out as a direct consequence of the Dealstream events.

The table below sets out the positions/interests of the executive directors in Vox prior to the collapse of Dealstream:

EXECUTIVE DIRECTORS	NUMBER OF ORDINARY SHARES	NUMBER OF SHARES THROUGH SSF' s	NUMBER OF CFD' s	STOCK OPTIONS
DG REED	0	26,710,000	59,167,219	0
AP VAN				
MARKEN	11,660,377	0	14,000,000	6,000,000
G SWEIDAN	398,229	0	10,000,000	1,500,000
J DU TOIT	0	22,993,493	0	0
M VON HOLDT	0	0	19,081,400	4,000,000
TOTAL	12,058,606	49,703,493	102,248,619	11,500,000

The table below sets out the current positions/interests of the executive directors in Vox following the collapse of Dealstream:

EXECUTIVE DIRECTORS	NUMBER OF ORDINARY SHARES	STOCK OPTIONS
DG REED	0	0
AP VAN MARKEN	11,660,377	6,000,000
G SWEIDAN	398,229	1,500,000
J DU TOIT	0	0
M VON HOLDT	0	4,000,000
TOTAL SHAREHOLDING	12,058,606	11,500,000

The Company has met with its major shareholders and has discussed a proposal for a new share incentive scheme for directors and key staff. The details of this scheme will be presented on or about 19 November 2008 when the Company reports its Annual Results for the year ended 31 August 2008. This scheme will be subject to shareholder approval and will be communicated in a detailed circular.

2.5 Updated shareholding in Vox

As a result of the Dealstream events and following Rand Merchant Bank ("RMB") taking over the Dealstream

portfolio, the shareholder register of Vox has materially changed.

In this regard the Company would like to provide a summary of the major shareholders of reference, as follows:

KEY SHAREHOLDERS	NUMBER OF SHARES	PERCENTAGE OWNERSHIP
LEREKO METIER CAPITAL GROWTH FUND	269,000,000	24.43%
RAND MERCHANT BANK ("RMB")	259,817,700	23.59%
MVELAPHANDA GROUP PUBLIC INVESTMENT CORPORATION	137,500,000	12.48%
REGIMENTS CAPITAL	90,000,000	8.17%
PSG GROUP	47,000,000	4.27%
THEMBEKA CAPITAL	30,812,856	2.79%
	17,857,143	1.62%
TOTAL SHAREHOLDING	851,987,699	77.36%

Note:

The percentage ownership of these major shareholders is based on a fully diluted number of 1 101 326 786 shares in issue.

As per the SENS announcement by Firststrand on 9 October 2008 and following the Dealstream events, RMB now holds a strategic position in Vox as illustrated in the table above.

3. APPOINTMENT OF NON-EXECUTIVE DIRECTOR

In accordance with rule 3.59(a) of the JSE Listings Requirements, the board is pleased to announce the appointment of Mr Pierre Joubert, Senior Private Equity Transactor, RMB, as a non-executive director with immediate effect as a result of RMB's strategic shareholding in Vox referred to above.

Pierre joined Reunert Ltd as a project accountant after qualifying as a Chartered Accountant with Deloitte & Touche in 1992 and fulfilled various financial roles within the Reunert group culminating in the position of financial director of one of the group's subsidiary company's. In May 1997 he was the Commercial director of the Connection Group, a diversified IT company and then appointed financial director of Software Connection Ltd upon listing

during October 1997. In April 1999 he assumed the role of CEO of Connection Group Holdings and led the transformation of the group from a situation of severe financial distress to that of a successful and vibrant retail organisation. In November 2002, Pierre joined RMB, as a senior equity transactor. Together with a colleague, he established a new business unit within RMB that has enjoyed much success in the area of value investment, primarily in listed securities.

Management welcomes Pierre to the board and extend their best wishes with the appointment and the concomitant challenges it will bring.

4. FURTHER DEVELOPMENTS

Shareholders will be kept informed of any further developments.

Johannesburg
28 October 2008

Designated Adviser PSG Capital (Pty) Limited