

Much Asphalt Acquires Spraypave

Much Asphalt has acquired SprayPave (Pty) Ltd from Basil Read Limited for about R78.6 million. This acquisition includes ground-breaking technology recently procured by SprayPave that will have significant benefits for customers of both companies.

Much Asphalt is the largest commercial producer of hot and cold asphalt products in southern Africa and celebrated its 50th anniversary in 2015.

SprayPave is one of South Africa's leading manufacturers and suppliers of bitumen, modified binders and emulsions for road construction in South Africa. The business joins Much Asphalt with 34 years of experience.

Of particular interest is SprayPave's recent purchase of a multistage bitumen reactor from Technix Industries in New Zealand, which is still to be shipped prior to commissioning in Cape Town. This plant is capable of modifying bituminous products from one grade to another and will enable predictable and repeatable modification of bitumen on a molecular level.

With Performance Grade (PG) bitumen specifications soon to be implemented in South Africa, this technology will be ideal for the conversion of locally available bitumen and other feedstocks into high specification multigrade bitumen. The new PG specifications aim to improve the assessment of binders with regard to deformation resistance, fatigue properties, long term performance and cracking potential.

The multigrade bitumen technology is well entrenched in Europe and Australia and is an ideal fit with the new PG specifications.

SprayPave also owns one of the few IATRA scan units in southern Africa that can undertake SARA (saturates, aromates, resins and asphaltenes) analysis to ensure that quality bitumen is produced at its facilities in Alberton, Durban and Cape Town.

"We are pleased to be acquiring a business that not only comes with cutting edge technology that will add value to Much Asphalt and its customers, but also commitment to customer service, employee health and safety, and environmental responsibility," says Much Asphalt managing director Bennie Greyling.

The transaction is subject to Competition Commission approval.

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CAPTION:

From left: Bennie Greyling (managing director: Much Asphalt); and Steven Single (managing director: SprayPave).

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Issued by: Lynne Mackie on behalf of Much Asphalt

Tel 082 441 5813

Email lynne@lhcom.co.za

Enquiries: Leon Alberts

Director: Strategic Business Development & Marketing – Much Asphalt

Tel 011 423 1004

Email leon.alberts@muchasphalt.com