

PRESS STATEMENT

The Board of Directors of Hardware & Lumber Limited (“H&L”) advises that it received on January 29 2016 a takeover bid circular containing an offer from Argyle Industries Inc., (“Argyle”) to all ordinary stockholders of H&L (other than Argyle) to purchase all their H&L stock units at a price of **J\$18.50** per stock unit (“the Offer”).

The takeover bid circular advises that the price per stock unit in the Offer is the same price per stock unit as that at which Argyle purchased 47,077,304 ordinary stock units in H&L from GraceKennedy Limited (“GK”) on December 30, 2015.

The Offer opens on February 1, 2016 and closes at 4:30 pm on March 4, 2016.

The Offer has been made by Argyle as a result of the mandatory offer requirement of the Jamaica Stock Exchange and the Securities (Take-overs and Mergers) Regulations, which was triggered after Argyle acquired Grace’s 58.23% stockholding in H&L, thereby becoming the majority stockholder of H&L.

At the request of the Board, the Audit Committee of the Board will take lead responsibility in reviewing the Offer. The Audit Committee has agreed that a special sub-committee of the Audit Committee to be comprised of directors unconnected to Argyle or to any other significant shareholder of H&L will be appointed. This sub-committee will have a mandate to propose for adoption a recommendation as to acceptance or rejection of the Offer for inclusion in a directors’ circular to be issued by the Board containing all relevant information required for the benefit of H&L’s stockholders, in compliance with all regulatory requirements.

January 29, 2016