

**COMPANIES ACT, 2008**

**MEMORANDUM OF INCORPORATION  
OF A PROFIT COMPANY**

**(PUBLIC COMPANY)**

**NAME OF COMPANY:**

**BARLOWORLD LIMITED  
("Company")**

**REGISTRATION NUMBER:**

**1918/000095/06**

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### SCHEDULE 1 – AUTHORISED SHARES

## 1. INTRODUCTION

- 1.1 The Memorandum of Incorporation in the prescribed form contemplated in section 13(1)(a)(i) of the Act shall not apply to the Company.
- 1.2 The Company is a pre-existing company in terms of the Act, is a public company, and, accordingly:
- 1.2.1 the Company is not prohibited from offering its securities to the public; and
- 1.2.2 the transfer of the Company's securities is unrestricted.
- 1.3 This Memorandum does not contain any restrictive conditions contemplated in section 15(2)(b) of the Act and does not contain any requirement for the amendment of any particular provision of this Memorandum in addition to the requirements of the Act.

## 2. INTERPRETATION

- 2.1 In this Memorandum, including the introduction above, and unless the context requires otherwise:
- 2.1.1 words importing any one gender shall include the other two genders;
- 2.1.2 the singular shall include the plural and vice versa;
- 2.1.3 any word or expression which is defined in the Act and is not defined in 2.1.4, shall bear that statutory meaning in this Memorandum;
- 2.1.4 each of the following words and expressions shall have the meaning stated opposite it and cognate expressions shall have a corresponding meaning, namely:
- 2.1.4.1 "the Act" the Companies Act, 2008, together with its Schedules and the Companies Regulations, 2011, as amended or substituted from time to time;
- 2.1.4.2 "JSE" JSE Limited, registration number 2005/022939/06, or any other successor body licensed as an exchange under the Securities Services Act, 2004, as amended or substituted from time to time;
- 2.1.4.3 "Listings Requirements" the Listings Requirements of the JSE, as amended or substituted from time to time;
- 2.1.4.4 "this Memorandum" this Memorandum of Incorporation and includes its Schedule, which forms part of it; and

- 2.1.4.5 “the Republic” the Republic of South Africa.
- 2.2 Headings have been inserted for convenience only and shall not be used for or assist or affect the interpretation of this Memorandum.
- 2.3 If any provision of this Memorandum imposes any obligation pursuant only to the Listings Requirements, then insofar as the JSE exempts compliance with such obligation, the obligation shall be deemed to have been complied with.
- 2.4 If any provision of this Memorandum limits, restricts or prohibits any power or authority of the Company or the board pursuant only to the Listings Requirements, then insofar as such limitation, restriction or prohibition is waived or relaxed by the JSE, the power or authority shall be deemed not to be subject to such limitation, restriction or prohibition to the extent of such waiver or relaxation.

### 3. **GENERAL**

#### 3.1 **Liability of incorporators, shareholders or directors**

No person shall be liable for any liabilities or obligations of the Company solely by reason of such person being an incorporator, shareholder or director of the Company.

#### 3.2 **Powers of the Company**

The legal powers and capacity of the Company as contemplated by the Act are not subject to any restriction, limitation or qualification.

#### 3.3 **Memorandum of Incorporation and rules**

3.3.1 This Memorandum does not provide any different requirements than those set out in section 16(1)(c)(i) of the Act regarding proposals for amendments to this Memorandum.

3.3.2 Unless otherwise permitted by the JSE and the Act, any amendment to this Memorandum is required to be approved by a special resolution, save for an amendment which is ordered by a court in terms of section 16(1)(a) of the Act.

3.3.3 Unless otherwise permitted by the JSE, the board shall not have the power to make, amend or repeal any necessary or incidental rules contemplated in section 15(3) of the Act relating to the governance of the Company in respect of matters that are not addressed in the Act or this Memorandum.

3.3.4 If the board, or any individual authorised by the board, alters this Memorandum in any manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document, it must publish a notice of such alteration on the Company's website, and must file a notice of alteration in the manner prescribed by the Act.

#### 3.4 **Financial assistance to related persons**

The authority of the board to authorise the Company to provide direct or indirect financial assistance to any person contemplated in section 45 of the Act is not limited, restricted or qualified.

### 3.5 **Solvency and liquidity test**

The solvency and liquidity test provided in section 4 of the Act applies without amendment.

## 4. **SECURITIES OF THE COMPANY**

### 4.1 **Authorisation for shares**

4.1.1 The Company is authorised to issue the shares specified in Schedule 1, provided that, if required by the Act or the Listings Requirements, the Company may only issue:

4.1.1.1 unissued shares to shareholders of a particular class of shares, *pro rata* to the shareholders' existing shareholding, unless any such shares are to issued for an acquisition of assets;

4.1.1.2 unissued shares or options otherwise than as envisaged in 4.1.1.1 above, for cash, as the directors in their discretion think fit, if approved by shareholders in general meeting, subject to the Listings Requirements; and

4.1.1.3 shares that are fully paid up.

### 4.2 **Alteration of shares**

4.2.1 For so long as is required by the Listings Requirements, any amendment to this Memorandum to -

4.2.1.1 create any class of shares;

4.2.1.2 increase or decrease the number of authorised shares of any class of shares;

4.2.1.3 reclassify any shares that have been authorised but not issued;

4.2.1.4 classify any unclassified shares that have been authorised but not issued;

4.2.1.5 convert one class of shares into one or more other classes;

4.2.1.6 consolidate or sub-divide shares;

4.2.1.7 determine the preferences, rights, limitations or other terms of any class of authorised shares or amend any preferences, rights, limitations or other terms so determined,

must be approved by a special resolution of the ordinary shareholders, save where such an amendment is ordered by a court in terms of sections 16(1)(a) and 16(4) of the Act.

4.2.2 Whenever as a result of a consolidation or sub-division of shares any shareholders would become entitled to fractions of a share, the directors may, on behalf of those shareholders, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those shareholders. The directors may appoint a person to sell and transfer those shares. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.

### 4.3 **Amendment of class, preferences, rights, limitations or other terms**

4.3.1 If any proposed amendment to this Memorandum relates to the variation of any preferences, rights, limitations or other terms attaching to any other class of shares already in issue other than the ordinary shares, such amendment shall be subject to the prior approval of the holders of that other class passed at a separate class meeting of the holders of that class in the same manner, *mutatis mutandis*, as a special resolution. The holders of such other class may be allowed to vote at the meeting of ordinary shareholders convened for the purposes of considering such proposal, subject to the Listings Requirements.

4.3.2 The provisions of this Memorandum and the Act relating to shareholders meetings of the Company shall, *mutatis mutandis*, apply to any such separate class meeting except that, subject to the Act, the necessary quorum shall be 2 (two) persons (unless all the shares of that class are held by 1 (one) person) holding or representing by proxy not less than one-third of the issued shares of the class (provided that if at any adjourned meeting of such holders a quorum is not present, those shareholders who are present in person or by proxy shall be a quorum).

4.3.3 The special rights attached to the shares of any class shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be varied by the creation or issue of further shares, ranking *pari passu* with, or enjoying lesser rights, and which do not have preference over the first-mentioned shares.

4.3.4 For so long as is required by the Listings Requirements, the preferences, rights, limitations or other terms of any class of shares may not be varied, and no resolution may be proposed to shareholders for rights to include any variation, in response to any objectively ascertainable external fact or facts as provided for in sections 37(6) and (7) of the Act. The foregoing provision does not apply to the 6% (six percent) cumulative preference shares, whose existing rights as set out in 9 below are preserved.

#### 4.4 **Financial assistance for the subscription or purchase of securities or options**

This Memorandum does not limit, restrict or qualify the authority of the board to authorise the Company to provide financial assistance to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or any related or inter-related company, in accordance with the Act.

#### 4.5 **Capitalisation shares**

Subject to 4.1.1, this Memorandum does not limit, restrict or qualify the authority of the board, in terms of section 47 of the Act, to:

4.5.1 approve the issue of any authorised shares of the Company as capitalisation shares, on a *pro rata* basis to the shareholders of one or more classes of shares;

4.5.2 approve the issue of shares of one class as capitalisation shares in respect of shares of another class; or

4.5.3 permit shareholders to elect to receive a cash payment in lieu of a capitalisation share, at a value determined by the board, subject to the provisions of section 47(2) of the Act.

#### 4.6 **Company or subsidiary acquiring Company's shares**

Any acquisition by the Company or a subsidiary company of the Company's shares will be subject to the provisions of the Act and the Listings Requirements.

#### 4.7 **Debt instruments**

This Memorandum does not limit, restrict or qualify the authority of the board to authorise the Company to issue secured or unsecured debt instruments, provided that the board may not grant special privileges regarding the attending and voting at general meetings of the Company or the appointment of directors in respect of such debt instruments except as may otherwise be permitted by the JSE.

#### 4.8 **Registration of beneficial interests**

This Memorandum does not limit or restrict the holding of the Company's issued securities by, or the registration of the Company's issued securities in the name of, one person for the beneficial interest of another.

#### 4.9 **Commission**

The Company may pay commission to any person in consideration of such person subscribing or agreeing to subscribe for any securities of the Company or of such person procuring, or agreeing to procure, subscriptions for securities, provided that such commission shall be subject to any limitations in the Act or the Listings Requirements.

#### 4.10 **Transfer of certificated securities**

In the case of the transfer of certificated shares, the instrument of transfer must be accompanied by –

4.10.1 the certificate of the shares to be transferred; and/or

4.10.2 such other evidence (if any) as the directors or other persons in charge of the securities register in respect of the shares to which the instrument of transfer relates, may require to prove the title or capacity of the intending transferor or transferee.

#### 4.11 **Right to refuse registration**

4.11.1 The directors may decline to register any transfer of certificated shares where –

4.11.1.1 the instrument of transfer has not been lodged at any of the Company's transfer offices;

4.11.1.2 the requirements of any law affecting transfer have not been complied with; or

4.11.1.3 the instrument of transfer is not in respect of only 1 (one) class of shares.

4.11.2 Any instrument of transfer in respect of any transfer of certificated shares which the directors decline to register shall, unless the directors resolve otherwise, be returned on demand to the person who lodged it.

4.11.3 If the directors refuse to register a transfer, a notice of the refusal shall, within 30 (thirty) days after the date on which the instrument of transfer was lodged, be sent to the transferor and transferee.

#### 4.12 **Authority to sign transfer deeds**

4.12.1 All authorities to sign transfer deeds granted by holders of securities for the purpose of transferring securities that may be lodged, produced or exhibited with or to the Company at any of its transfer offices shall, as between the Company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect, and the Company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the Company's transfer offices at which the authority was lodged, produced or exhibited.

4.12.2 Even after the giving and lodging of such notices, the Company shall be entitled to give effect to any instrument signed under the authority to sign, and certified by any officer of the Company, as being in order before the giving and lodging of such notice.



#### 4.13 **Replacement of lost share certificates**

4.13.1 In the case of certificated shares, subject to the Listings Requirements -

4.13.1.1 any two or more certificates representing shares of any one class held by any shareholder may at his request be cancelled and a single new share certificate for such shares issued without payment;

4.13.1.2 if any shareholder surrenders for cancellation a share certificate representing shares held by him and requests the company to issue two or more certificates representing such shares in any specified proportions, the directors may, if they think fit, comply with such request;

4.13.1.3 if a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery of the old certificate to the Company, or (if alleged to have been lost, stolen or destroyed) compliance with such condition as to evidence and indemnity and payment of out-of-pocket expenses of the Company in connection with the request as the directors think fit.

4.13.2 In the case of joint holders, any such request may be made by any one of the joint holders.

#### 4.14 **Renunciation of shares**

Nothing contained in this Memorandum shall preclude the Company from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

#### 4.15 **Limitation of voting rights**

4.15.1 The holders of any securities other than ordinary shares shall not be entitled to vote on any resolution taken by the Company save as expressly provided for in this Memorandum. For so long as this is required by the Listings Requirements, but subject to 4.15.2 below, in instances that such shareholders are allowed to vote at general or annual general meetings, their votes may not carry any special rights or privileges and they shall be entitled to one vote for each share that they hold, provided their total voting rights at a general or annual general meeting may never be more than 25% (twenty five percent) minus one vote of the total voting rights of all shareholders at such meeting.

4.15.2 The provisions of 4.15.1 above shall not apply to the holders of the 6% (six percent) cumulative preference shares, whose existing rights as set out in 9 below are preserved.

#### 4.16 **Fully paid up shares not subject to lien**

Fully paid shares shall not be subject to any lien in favour of the Company and shall be freely transferable.

## **5. SHAREHOLDER RIGHTS AND PROXY FORMS**

### **5.1 Information rights of persons holding a beneficial interest in securities**

This Memorandum does not establish any information rights of any person in addition to the information rights provided in sections 26(1) and (2) of the Act.

### **5.2 Representation by concurrent proxies**

5.2.1 This Memorandum does not limit or restrict the right of a shareholder to appoint two or more persons concurrently as proxies (“**concurrent proxies**”); provided that the instrument appointing the concurrent proxies clearly states the order in which the concurrent proxies’ votes are to take precedence in the event that both or all of the concurrent proxies are present, and vote, at the relevant meeting.

5.2.2 This Memorandum does not limit or restrict the rights of a shareholder to appoint more than one proxy to exercise voting rights attached to different securities held by that shareholder.

### **5.3 Authority of proxy to delegate**

A proxy is prohibited from delegating his authority to act on behalf of the shareholder appointing him to another person.

### **5.4 Requirement to deliver proxy instrument to the Company**

A copy of the instrument appointing a proxy must be delivered to the office of the Company, or to any other person specified by the Company as acting on its behalf, not less than 48 (forty eight) hours ((excluding Saturdays, Sundays and public holidays) or such lesser period as the directors may determine in relation to a particular meeting) before the time appointed for the holding of the meeting (including an adjourned meeting) at which the person(s) named in the proxy form proposes to vote; and if the instrument of proxy is not so delivered, the form of proxy shall not be treated as valid unless the chairman of the meeting decides otherwise.

### **5.5 Proxy without direction**

This Memorandum does not limit or restrict the right of a proxy to exercise, or abstain from exercising, any voting right of the shareholder appointing him without direction, except to the extent that the instrument of proxy provides otherwise.

### **5.6 Revocation of proxy**

Subject to the Act, a vote by virtue of a power of attorney or an instrument appointing a proxy shall be valid notwithstanding the previous incapacity of the principal or revocation of the power of attorney or instrument appointing a proxy or the transfer of the share in respect of which the vote is cast, unless notification in writing of such legal incapacity, revocation or transfer is

received by the Company at the registered office or transfer office of the Company at which such power or instrument is registered not less than 24 (twenty four) hours before the commencement of the shareholders meeting or the taking of the poll at which the instrument of proxy is to be used.

#### **5.7 Record date for exercise of shareholder rights**

The record date for any action or event shall be determined in accordance with the Act and the Listings Requirements.

### **6. SHAREHOLDERS MEETINGS**

#### **6.1 Convening of shareholders meetings**

The board or any person authorised by the board may call a shareholders meeting.

#### **6.2 Shareholders' right to requisition a meeting**

This Memorandum does not specify a lower percentage of voting rights than the percentage specified in section 61(3) of the Act required for the requisition by shareholders of a shareholder's meeting.

#### **6.3 Location of shareholders meetings**

The board may determine the location of any shareholders meeting, which may be in the Republic or in any foreign country.

#### **6.4 Notice of shareholders meetings**

6.4.1 The period of notice of shareholders' meetings shall be at least 15 (fifteen) business days.

6.4.2 Notice of shareholders meetings shall be delivered to each shareholder entitled to vote at such meeting and who has elected to receive such notice.

#### **6.5 Shareholders meetings conducted by electronic communication**

Unless authorised by the board for a particular shareholders meeting, shareholders meetings may not be conducted by electronic communication, nor may one or more shareholders, or proxies for shareholders, participate in any shareholders meeting by electronic communication.

#### **6.6 Quorum for shareholders meetings**

6.6.1 The percentage of voting rights in terms of section 64(1) of the Act and the number of shareholders specified in section 64(3) of the Act are required for:

6.6.1.1 a shareholders meeting to begin;

6.6.1.2 the continuation of that shareholders meeting; and

6.6.1.3 the consideration of any matter to be decided at any

shareholders meeting.

6.6.2 This Memorandum specifies 10 (ten) minutes (or such longer or shorter period as the chairman of the shareholders meeting may determine) in substitution for the time period specified in sections 64(4) and 64(5) of the Act for a quorum to be established before a shareholders meeting may be adjourned.

6.6.3 This Memorandum does not specify a different period than the period of one week provided in section 64(4) of the Act for the adjournment of a shareholders meeting but the chairman of a particular shareholders meeting may determine otherwise in respect of that meeting.

## 6.7 **Chairman**

The chairman (if any) of the board, or in his absence, the deputy or vice chairman (if any), shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman or vice chairman, or at any general meeting neither is present within 10 (ten) minutes after the time appointed for holding the meeting and willing to act, the directors present shall choose one of their number (or, if no director is present or if all of the directors present decline to take the chair, the shareholders present and entitled to vote shall choose one of their number) to be the chairman of the meeting.

## 6.8 **Voting at shareholders meetings**

6.8.1 Subject to any special terms as to voting upon which any share may be issued or which may from time to time attach to a share, on a show of hands, every shareholder present in person or by proxy and entitled to vote on a resolution shall have one vote, and on a poll, every shareholder present in person or by proxy and entitled to vote on a resolution shall have one vote for each share held by it.

6.8.2 A person who is entitled to more than 1 (one) vote need not cast all his votes, nor cast them in the same manner.

6.8.3 The parent or guardian of a minor, the curator bonis of a lunatic shareholder and any person entitled under 8.2 below to transfer any shares, may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of those shares, provided that at least 48 (forty eight) hours before the time of holding the shareholders meeting at which he proposes to vote, he satisfies the directors that he is such parent, guardian or curator or that he is entitled under 8.2 below to transfer those shares, or that the directors have previously admitted his right to vote in respect of those shares.

6.8.4 Where two or more persons are registered as joint holders of a share, any one of them, whether in person or by proxy, may vote as if he is the sole holder thereof, provided that if more than one of such joint holders are present at a shareholders meeting in person or by proxy, only that holder who is present and whose name appears first in the securities register in respect of the share, shall

be entitled to vote.

- 6.8.5 At a general meeting, a resolution put to the vote of the general meeting shall be decided by a show of hands, unless a poll is demanded –
  - 6.8.5.1 by the chairman of the general meeting;
  - 6.8.5.2 by at least 5 (five) persons having the right to vote on that resolution, either as a shareholder or a proxy representing a shareholder; or
  - 6.8.5.3 a person who is, or persons who together are, entitled to exercise at least 10% (ten per centum) of the voting rights entitled to be exercised on that resolution.
- 6.8.6 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the general meeting. A demand so withdrawn shall not be taken to have invalidated the result on a show of hands declared before the demand was made.
- 6.8.7 A poll shall be taken in such manner and at such time as the chairman of the general meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting in which the poll was demanded.
- 6.8.8 The chairman of the general meeting may-
  - 6.8.8.1 appoint any firm or persons to act as scrutineers for the purpose of checking the powers of attorney/proxies received and for counting the votes at the general meeting;
  - 6.8.8.2 act on a certificate given by any such scrutineers without requiring production at the general meeting of the forms of proxy or himself counting the votes.
- 6.8.9 Any objection to the admissibility of any vote (whether on a show of hands or on a poll) shall be raised –
  - 6.8.9.1 at the general meeting or adjourned general meeting at which the vote objected to was recorded; or
  - 6.8.9.2 at the general meeting or adjourned general meeting at which the result of the poll was announced,

and every vote not then disallowed shall be valid for all purposes. Any objection made timeously shall be referred to the chairman of the general meeting for adjudication, whose decision shall be final and conclusive.

- 6.8.10 Even if he is not a shareholder, any director or the Company's attorney or auditor (or where the Company's attorneys or auditors are a firm, any partner or director thereof), may attend and speak at any general meeting, but may not vote, unless he is also a shareholder or the proxy of a shareholder.

## 6.9 **Adjournment of shareholders meetings**

This Memorandum does not provide different maximum periods for adjournment than those specified in section 64(12) of the Act.

## 6.10 **Shareholders' resolutions**

6.10.1 This Memorandum does not require a higher percentage of voting rights to approve an ordinary resolution than the percentage voting rights specified in the Act.

6.10.2 This Memorandum does not require a different percentage of voting rights to approve a special resolution than the percentage voting rights specified in the Act.

6.10.3 Subject to the Listings Requirements, no matters other than those contemplated in section 65(11) of the Act require a special resolution.

6.10.4 No shareholders resolution in terms of section 20(2) of the Act may be proposed if such resolution would result in the ratification of any act that is contrary to the Listings Requirements, unless otherwise permitted by the JSE.

## 6.11 **Shareholders meetings in terms of the Listings Requirements**

Shareholders meetings that are called for the purpose of passing any resolution required in terms of the Listings Requirements may not be voted on in writing as provided for in section 60 of the Act, unless permitted by the JSE.

## 6.12 **Notice of shareholders meetings to the JSE**

6.12.1 If required in terms of the Listings Requirements, a copy of all notices of shareholders meetings must be sent to the JSE at the same time as notices are sent to shareholders.

6.12.2 All notices of shareholders meetings must also be announced through the official news service of the JSE at the same time as notices are sent to shareholders, or as soon thereafter as is practicable.

## 7. **DIRECTORS AND OFFICERS**

### 7.1 **Composition of the board of directors**

7.1.1 The number of directors shall not be less than 6 (six) comprising the chief executive officer, the chief financial officer, the chairman and 3 (three) other non-executive directors. The maximum number of directors shall be 30 (thirty).

7.1.2 Subject to 7.2, the shareholders shall elect the directors, and shall be entitled to elect one or more alternate directors, in accordance with the provisions of section 68(1) of the Act.

- 7.1.3 Subject to 7.2, this Memorandum does not provide for:
- 7.1.3.1 the direct appointment or removal of any director or alternate director by any particular person; or
- 7.1.3.2 the appointment of any person as an *ex officio* director of the Company.
- 7.1.4 This Memorandum does not stipulate any additional qualifications or eligibility requirements than those set out in the Act for a person to become or remain a director or a prescribed officer of the Company, provided that, for as long as the Listings Requirements require it, the board, through its nominations committee, should recommend eligibility of directors, taking into account past performance and contributions.
- 7.1.5 At every annual general meeting of the Company, one third of the directors for the time being or, if their number is not a multiple of 3 (three), then the number nearest to but not less than one third, or if there are less than three directors, then all of the directors, shall retire from office, provided that the directors appointed in terms of 7.2 shall not be taken into account in determining which directors are to retire by rotation at the annual general meeting immediately following their appointment.
- 7.1.6 The directors so to retire at every annual general meeting shall be those who have been longest in office since their last election. In the case of persons who became directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The length of time a director has been in office shall be computed from his last election, appointment or date upon which he was deemed re-elected.
- 7.1.7 A director retiring at a general meeting shall retain office until the election of directors at that general meeting has been completed.
- 7.1.8 A retiring director may be re-elected, provided that, for as long as the Listings Requirements require it, the board, through its nominations committee, has recommended his eligibility, taking into account past performance and contribution made.
- 7.1.9 No person other than a director retiring at the meeting, shall, unless recommended by the nominations committee, be eligible for election to the office of director at any general meeting, unless –
- 7.1.9.1 not more than 14 (fourteen), but at least 7 (seven) clear days before the day appointed for the general meeting, there shall have been delivered at the registered office of the Company a notice in writing by a shareholder (who may also be the proposed director) duly qualified to be present and vote at the general meeting for which such notice was given;
- 7.1.9.2 such notice sets out the shareholder's intention to propose a specific person for election as director; and

- 7.1.9.3 notice in writing by the proposed person of his willingness to be elected is attached thereto (except where the proposer is the same person as the proposed).
- 7.1.10 Without derogation from 7.1.5 or any provision of the Act, the office of a director shall be vacated upon the happening of any of the following events:
- 7.1.10.1 if his estate is sequestrated (whether provisionally or finally) or he surrenders his estate or enters into a general compromise with his creditors;
- 7.1.10.2 if he is found to be or becomes of unsound mind;
- 7.1.10.3 if a majority of his co-directors sign and deposit at the registered office a written notice wherein he is requested to vacate his office (which shall become operative on deposit at the registered office) but without prejudice to any claim for damages;
- 7.1.10.4 if a written notice to that effect signed by shareholders holding more than 50% (fifty percent) of the issued shares is delivered at the registered office of the Company, with effect from the date stated in such notice (but without prejudice to any claim for damages);
- 7.1.10.5 if he be removed by a resolution of the Company of which proper notice has been given in terms of the Act (but without prejudice to any claim for damages);
- 7.1.10.6 if he is, pursuant to the provisions of the Act or any order made in terms of the Act or the Listings Requirements, prohibited from acting as a director;
- 7.1.10.7 if he resigns his office by notice in writing to the Company;
- 7.1.10.8 if he is absent from meetings of directors for more than 6 (six) consecutive months, without leave of the directors and the directors resolve that his office be, by reason of his absence, vacated. The directors shall have the power to grant any directors not resident in the Republic leave of absence for a definite or indefinite period.
- 7.1.11 Subject to the Act, all acts performed by the directors or by a committee of directors or by any person acting as a director or a member of a committee shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of the directors or persons acting as aforesaid, or that any of them were disqualified from or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or member of such committee.



## 7.2 **Vacancies**

7.2.1 The board may appoint any person who satisfies the requirements for election as a director to fill any vacancy and serve as a director on a temporary basis until the vacancy is filled by election in accordance with section 68(1) of the Act.

7.2.2 In addition, the chairman of the board shall be entitled to appoint any person who satisfies the requirements for election as a director and who is approved by the board, as an additional director, to serve on a temporary basis until the appointment is confirmed at the next annual general meeting.

7.2.3 If the number of directors falls below the minimum provided for in this Memorandum, the remaining directors must as soon as possible and in any event not later than three months from the date that the number of directors falls below the minimum, fill the vacancies or call a general meeting for the purpose of filling the vacancies.

7.2.4 If required by the Listings Requirements:

7.2.4.1 the appointment of a director to fill a vacancy or as an addition to the board must be confirmed by shareholders at the next annual general meeting; and

7.2.4.2 after the expiry of the three month period the remaining directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of shareholders.

## 7.3 **Authority of the board of directors**

The business and affairs of the Company shall be managed by or under the direction of the board, which has the authority to exercise all of the powers and perform any of the functions of the Company, except as expressly provided for in this Memorandum.

## 7.4 **Directors' meetings**

7.4.1 A decision that could be voted on at a meeting of the board may instead be adopted by written consent of a majority of the directors (or their alternate directors, if applicable), given in person, or by electronic communication, provided that each director (or their alternate directors, if applicable) has received notice of the matter to be decided. A resolution passed in the aforementioned way shall be as valid and effective as if it had been passed at a board meeting. Any such resolution may consist of several documents, each of which may be signed by one or more directors (or their alternate directors, if applicable) and shall be deemed to have been passed on the date on which it was signed by the last director required to constitute a majority of the directors (unless a statement to the contrary is made in that resolution). A resolution passed in the aforementioned manner shall be inserted in the minute book.

7.4.2 The percentage or number of directors upon whose request a

meeting of the board must be called in terms of section 73(1) of the Act is not amended by this Memorandum.

7.4.3 This Memorandum does not restrict the board from conducting meetings, or directors from participating in meetings, by electronic communication, as contemplated in section 73(3) of the Act.

7.4.4 This Memorandum does not limit, restrict or qualify the authority of the board to determine the manner and form of giving notice of its meetings.

7.4.5 This Memorandum does not limit, restrict or qualify the authority of the board to proceed with a board meeting in accordance with the requirements of section 73(5)(a) of the Act, despite a failure or defect in giving notice of the meeting.

7.4.6 The quorum requirement for a directors' meeting to begin shall be 5 (five) directors, one of whom must be a non-executive director.

7.4.7 The voting rights at a directors' meeting, and the requirements for approval of a resolution at such a meeting, as set out in section 73(5) of the Act, are not varied by this Memorandum.

## 7.5 **Chairman**

7.5.1 The directors may elect from their number a chairman and a deputy or vice chairman (to act in the absence of the chairman) of their meetings and determine the period for which each is to hold office. The directors may also remove any of them from such office at any time.

7.5.2 If no chairman or deputy or vice chairman is elected, or if at any meeting of the directors, the chairman or deputy or vice chairman is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, the directors present shall choose 1 (one) of their number to be chairman at such meeting.

7.5.3 Subject to the Listings Requirements, in the case of an equality of votes at any meeting of the directors, the chairman shall have a second or casting vote.

## 7.6 **Director may be employed in the Company or subsidiary**

7.6.1 A director may be employed in any other capacity in the Company or as a director or employee of a subsidiary of the Company and, in such event, his appointment and remuneration in respect of such other office must be determined by a disinterested quorum of directors.

7.6.2 Without derogation from 7.6.1, the board may from time to time -

7.6.2.1 appoint from their number managing and other executive directors (with or without specific designation) of the Company;

7.6.2.2 confer such powers for such time and to be exercised for such

objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient;

7.6.2.3 from time to time revoke, withdraw or vary such powers.

## 7.7 **Committees and delegation**

7.7.1 Without derogation from any of the provisions of the Act, nothing in this Memorandum (including this 7.7.1) limits, restricts or qualifies the authority of the board to appoint any number of committees of directors, or to delegate to any such committee or to any person any of the authority of the board.

7.7.2 Except to the extent that a board resolution establishing a committee provides otherwise, the members of the committee:

7.7.2.1 may include persons who are not directors of the Company but any such person must not be ineligible or disqualified to be a director in terms of section 69 of the Act. Any such persons shall not have a vote on any matter to be decided by the committee;

7.7.2.2 may be remunerated for their services as such;

7.7.2.3 may consult with or receive advice from any person;

7.7.2.4 provided that the committee is duly constituted, have the full authority of the board in respect of any matter referred to it.

7.7.3 Without derogation from any provisions of the Act, the board may from time to time, where it has established a committee or delegated any authority of the board to any person in terms of 7.7.1 and 7.7.2 above include in any such delegation the power to sub-delegate the powers referred to in 7.7.1 and 7.7.2 above to such person or persons as the committee or the person, as the case may be, thinks fit, subject to such terms and conditions as the committee or person may think fit, and may from time to time revoke, withdraw, alter or vary all or any such powers.

## 7.8 **Local boards and agencies**

7.8.1 The directors may establish any local boards or divisional boards or agencies to manage any of the affairs of the Company, either in South Africa or elsewhere, and may:

7.8.1.1 appoint persons to be members of such local or divisional boards or agencies, and may fix their remuneration;

7.8.1.2 delegate to any local or divisional board or agency any of the powers, authorities and discretions vested in the directors (with or without the power to sub-delegate);

7.8.1.3 authorise the members of any local or divisional board or agency, or any of them, to fill any vacancy, and to act despite any vacancy;

7.8.1.4 remove any person so appointed, and annul or vary any such delegation,

subject to such terms and conditions as the directors may think fit.

## 7.9 **Directors compensation and financial assistance to directors**

7.9.1 This Memorandum does not limit, restrict or qualify the power of the Company to pay remuneration to its directors for their service as directors in accordance with section 66(9) of the Act.

7.9.2 Subject to the provisions of the Act, any director who –

7.9.2.1 serves on any executive committee or other committee; or

7.9.2.2 devotes special attention to the business of the Company; or

7.9.2.3 goes or resides outside the Republic for the purpose of the Company; or

7.9.2.4 otherwise performs or binds himself to perform services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director,

may be paid such extra remuneration or allowances in addition to or in substitution for any other remuneration to which he may be entitled as a director, as a disinterested quorum of directors may from time to time determine.

7.9.3 The directors shall also be paid all their travelling, hotel and other expenses properly and necessarily expended by them –

7.9.3.1 in and about the business of the Company; and

7.9.3.2 in attending general meetings of the directors or of committees of the directors of the Company.

7.9.4 This Memorandum does not limit, restrict or qualify the authority of the board to authorise the Company to provide direct or indirect financial assistance to directors or persons related to directors contemplated in section 45 of the Act.

## 7.10 **Indemnification of directors**

7.10.1 For the purposes of this 7.10, 'director' shall have the meaning ascribed to that term in section 78(1) of the Act.

7.10.2 This Memorandum does not limit, restrict or qualify the ability of the Company to advance expenses to a director to defend any legal proceedings arising from his service to the Company, or to indemnify a director against such expenses if the proceedings are abandoned or exculpate the director or arise in respect of any liability for which the Company may indemnify the director in terms

of sections 78(5) and 78(6) of the Act.

7.10.3 This Memorandum does not limit, restrict or qualify the power of the Company to indemnify a director in respect of any liability arising out of the director's service to the Company to the fullest extent permitted by the Act.

7.10.4 This Memorandum does not limit, restrict or qualify the ability of the Company to purchase insurance to protect a director against any liability or expenses for which the Company is permitted to indemnify a director in terms of the Act and this Memorandum, or to protect the Company against any contingency including, but not limited to:

7.10.4.1 any expenses that the Company is permitted to advance or for which the Company is permitted to indemnify a director in terms of the Act; or

7.10.4.2 any liability for which the Company is permitted to indemnify a director in terms of the Act.

## 8. GENERAL PROVISIONS

### 8.1 Director's interests

8.1.1 For the purposes of this 8.1, 'director' shall have the meaning ascribed to that term in section 78(1) of the Act.

8.1.2 A director who has any interest in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest in accordance with the provisions of section 75.

8.1.3 Subject to the Act and the Listings Requirements, a director may be or become a director or other officer of, or otherwise interested in, any company in which the Company may be interested as a shareholder or otherwise and (except insofar as otherwise decided by the directors) he shall not be accountable to the Company for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company.

8.1.4 A director may act, or any firm of which he is a member may act, in a professional capacity (other than that of auditor) for the Company and he (or his firm) shall be entitled to remuneration for those professional services.

8.1.5 Subject to the Act, no director or intending director shall be disqualified by his office from contracting with the Company with regard to –

8.1.5.1 his tenure of any other office or place of profit under the Company or in any company in which the Company is interested;

8.1.5.2 professional services rendered or to be rendered by such

director;

8.1.5.3 any transaction with the Company.

8.1.6 No such contract entered into by or on behalf of the Company in which any director is interested is in any way voidable, except as otherwise provided by the Act.

8.1.7 No director so contracting shall be liable to account to the Company for any profit realised by any such appointment or contract by reason of such director holding office or of the fiduciary relationship thereby established, except as otherwise provided by the Act.

8.1.8 The directors may exercise the voting powers conferred by the shares held or owned by the Company in any other company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing themselves or any of them to be directors or officers of such other Company or for determining any payment of or remuneration to the directors or officers of such other Company.

8.1.9 A director may vote in favour of a resolution referred to in 8.1.5 for the exercise of the voting rights in the manner described in 8.1.5 notwithstanding that he may be, or is about to become, a director or other officer of such other company and for that or any other reason may be interested in the exercise of such voting rights in the manner aforesaid.

## 8.2 **Transmission of Shares**

### 8.2.1 Persons entitled on death of holder

8.2.1.1 Subject to any law relating to securities transfer tax or estate duty, the executor or administrator of the estate of a deceased shareholder (not being one of several joint holders) shall be the only person recognised by the Company as having any right to a share registered in the name of such deceased shareholder.

8.2.1.2 In the case of the death of any 1 (one) or more joint holders of any share, the survivor or survivors, or the executor or administrator of the estate of the deceased joint holder, shall be the only person or persons recognised by the Company as having any title to or interest in such share.

### 8.2.2 Rights of persons entitled by transmission

8.2.2.1 Any person becoming entitled to a share in consequence of the legal incapacity of a shareholder, or by any lawful means otherwise than by transfer in accordance with this Memorandum -

8.2.2.1.1 may, on production of such evidence of his right, with the consent of the directors (which they shall not be

obliged to give) either be registered himself as a shareholder in respect of such shares or elect to have some person nominated by him registered as the transferee thereof;

8.2.2.1.2 shall be entitled to the same distribution and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not be entitled in respect thereof to exercise any right conferred by his shareholding in relation to meetings of the Company until he shall have been registered as a shareholder in respect of the share.

### 8.2.3 Election by persons entitled by transmission

8.2.3.1 If the person becoming entitled as referred to in 8.2.2 shall elect to –

8.2.3.1.1 be registered himself, he shall notify the Company accordingly in writing; or

8.2.3.1.2 have his nominee registered, he shall testify his election by executing an instrument of transfer for such share in favour of his nominee.

8.2.3.2 A person who submits proof of his appointment as the executor, administrator, trustee, curator or guardian in respect of the estate of a deceased shareholder of the Company or the estate of a shareholder whose estate has been sequestrated, or who is otherwise under a disability, or as the liquidator of any body corporate which is a shareholder of the Company, shall be entered in the securities register of the Company *nominee officii*, and shall thereafter for all purposes be deemed to be a shareholder of the Company.

8.2.4 All the limitations, restrictions and provisions of this Memorandum relating to the right to transfer and the registration of shares, shall be applicable to any such notice of transfer or registration under 8.2.1 and 8.2.2 as if the legal incapacity or other means had not occurred and the notice or transfer was a transfer executed.

## 8.3 **Joint Holders**

8.3.1 Subject to the Act, the certificates evidencing any certificated shares shall, in the case of shares registered in the names of 2 (two) or more persons, be delivered to the person first named in the register in respect thereof, or to his authorised agent, and such delivery shall be a sufficient delivery to all joint holders of the share.

8.3.2 In the case of the legal incapacity of any 1 (one) or more of the joint holders of any shares held in certificated form, the survivor then first named in the securities register shall be the only person recognised by the Company as being entitled to such certificate, or any new certificate which may be issued in place thereof.

- 8.3.3 Where 2 (two) or more persons are entitled to a share by transmission, they shall be deemed to be joint holders of the share.
- 8.3.4 Co-executors of a deceased shareholder in whose name shares stand in the securities register shall be deemed to be joint holders of those shares.
- 8.3.5 All notices shall, unless the joint holders otherwise in writing request and the directors agree, be given to that holder whose names stands first in the securities register. A notice so given shall be deemed sufficient notice to all the joint holders.
- 8.4 **Notices to legally incapacitated holder**
- Any notice or other document delivered or sent by post to the registered address of the shareholder, notwithstanding that such shareholder be then under legal incapacity and the Company had notice of his legal incapacity, be deemed, subject to the Act, to have been duly served in respect of any share registered in the name of such shareholder as sole or joint holder unless his name, at the time of the service or despatch of the notice or document, has been removed from the securities register.
- 8.5 **Distributions**
- 8.5.1 The board, alone, shall have the authority to make distributions, in accordance with the Act and the Listings Requirements.
- 8.5.2 Manner of payment
- 8.5.2.1 Any distribution, interest or other sum payable in cash to the holder of a share may be paid by –
- 8.5.2.1.1 cheque sent through the post addressed to –
- 8.5.2.1.1.1 the holder at his registered address;
- 8.5.2.1.1.2 in the case of joint holders, the holder whose name stands first in the securities register in respect of the share, at his registered address;  
or
- 8.5.2.1.1.3 such person and at such address as the holder or joint holders may in writing direct,
- 8.5.2.1.2 by electronic bank transfer to –
- 8.5.2.1.2.1 the holder into such bank account as the holder may direct in writing;
- 8.5.2.1.2.2 in the case of joint holders, the holder whose name stands first in the securities register in respect of the share, into such bank account as he may direct in writing.



- 8.5.2.2 Every such payment shall be at the risk of the person or persons entitled to the money represented thereby.
- 8.5.2.3 A payment by electronic bank transfer in accordance with the bank account details given by the holder shall be a good discharge by the Company.
- 8.5.2.4 A payment of a cheque by the banker upon whom it is drawn, and any transfer or payment in terms of this shall be a good discharge by the Company.
- 8.5.2.5 Every such cheque shall be made payable to the order of the person to whom it is addressed, and be sent at the risk of the holder or joint holders.
- 8.5.2.6 The Company shall not be responsible for the loss in transmission of any cheque or of any document (whether similar to a cheque or not) sent by post as aforesaid.
- 8.5.2.7 A holder or any 1 (one) of 2 (two) or more joint holders, or his or their agent duly appointed in writing, may give valid receipts for any monies paid in respect of a share held by such holder or joint holders.
- 8.5.2.8 A distribution may also be paid in any other way determined by the directors, and if the directives of the directors are complied with, the Company shall not be liable for any loss or damage which a shareholder may suffer as a result thereof.
- 8.5.2.9 Subject to the provisions of this Memorandum and to the rights attaching to any shares, any distribution payable on or in respect of a share may be paid in such currency as the directors may determine, using such exchange rate for currency conversions as the directors may select.
- 8.5.2.10 The Company may cease to send any cheque by post for any distribution on any shares which is normally paid in that manner if in respect of at least two consecutive distributions payable on those shares the cheque has been returned undelivered or remains uncashed but, subject to the provisions of this Memorandum, shall commence sending cheques in respect of the distributions payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future distributions in some other way.
- 8.5.2.11 Without derogation from any other provision of this 8.5, the directors may from time to time make such regulations as they think fit regarding the payment of distributions to shareholders having registered addresses outside the Republic. Such regulations may provide for the payment of such distributions in any foreign currency and the rate of exchange at which such payment shall be made.
- 8.5.2.12 Where any difficulty arises in regard to any distribution

involving a specific asset or assets, the directors may settle that difficulty as they think expedient and in particular may fix the value which shall be placed on such specific assets or asset on distribution.

- 8.5.3                    Capitalisation
- 8.5.3.1                    Without derogation from the powers of the board, the board may -
- 8.5.3.1.1                    capitalise any amount (or part thereof) standing to the credit of any of the Company's reserves, any share premium account or capital redemption reserve fund or income statement, otherwise available for distribution and not required for the payment of the fixed dividends on any preference share;
- 8.5.3.1.2                    resolve that such amount be appropriated for distribution among the shareholders or any class of shareholders in the same ratio as they would be entitled thereto if distributed by way of dividend on the basis that the same be not paid in cash but be applied in paying up in full unissued securities then to be issued, credited as fully paid-up to such shareholders.
- 8.5.3.1.3                    resolve that any surplus monies in the hands of the Company representing capital profits arising from the realisation of any capital assets and not required for the payment of any fixed preferential dividend, shall be distributed among the ordinary shareholders.
- 8.5.3.2                    If any difficulty arises in regard to any distribution under 8.5.3.1, the directors may settle the same as they deem fit.
- 8.5.3.3                    The directors may make all appropriations and applications of undivided profits or the sum capitalised and all allotments and issues of fully paid up securities, if any, and are generally authorised to do all acts and things required to give effect thereto, whether by –
- 8.5.3.3.1                    the consolidation of any fraction of a share with any other fraction, and the making of arrangements for the allotment or sale of the consolidated share;
- 8.5.3.3.2                    the appointment of any person to sell and transfer the consolidated share; or
- 8.5.3.3.3                    the payment of such portion of the proceeds of such sale as is attributable to any fraction so consolidated to the person who could otherwise have been entitled to such fraction or otherwise deal therewith in such manner as they deem fit;
- 8.5.3.3.4                    providing that fractions shall be ignored altogether;

8.5.3.3.5 payment in cash or otherwise, as the directors deem fit, in the case of shares or debentures distributable in fractions.

8.5.3.4 The directors may also appoint any person to enter, on behalf of all shareholders entitled to the benefit of such appropriations and applications or to participate in such distributions, into any contract requisite for giving effect thereto, and such appointment and contract shall be binding on all such shareholders.

8.5.4 No interest

No distribution shall bear interest against the Company, except as otherwise provided under the conditions of issue of the shares in respect of which such distribution is payable.

8.5.5 Unclaimed distributions

8.5.5.1 For so long as is required by the Listings Requirements, any unclaimed distributions due to shareholders must be held by the Company for the benefit of those shareholders, provided that distributions unclaimed for a period of 3 (three) years from the date on which they were made may be declared forfeited by the directors for the benefit of the Company.

8.5.5.2 Notwithstanding 8.5.5.1 above, any distribution, other than a dividend, made on or in respect of a security prior to the adoption of this Memorandum, must be held by the Company for the benefit of the holder of that security, provided that distributions unclaimed for a period of not less than five years from the date on which such distributions were made may be declared to be forfeited by the directors for the benefit of the Company.

8.6 **Odd lot offer**

If, upon the implementation of any odd-lot offer made by the Company, or pursuant to or following any odd-lot offer made by the Company which is unconditional, in accordance with the Listings Requirements, there are shareholders holding less than 100 ordinary shares or shareholders holding less than 100 ordinary shares on behalf of a person who owns the beneficial interest in such shares ("**odd-lot holdings**"), then, unless such shareholders have elected to retain their odd-lot holdings, the directors shall, with the approval of an ordinary resolution, be entitled to cause the odd-lot holdings to be sold on such basis as the directors may determine and the Company shall account to such shareholders for the proceeds attributable to them pursuant to the sale of such odd-lot holdings.

9. **6% CUMULATIVE PREFERENCE SHARES**

9.1 The 500 000 (five hundred thousand) 6% cumulative preference shares of R2 (two Rand) each (each of which is referred to as a "preference share") shall carry the following special rights and privileges and be subject to the following special conditions and restrictions:

- 9.1.1 the right to receive out of the profits of the Company which it shall from time to time be determined to distribute a fixed cumulative preferential dividend at the rate of six per centum (6%) per annum, calculated on the capital from time to time, paid up or deemed to be paid up thereon, payable half-yearly on the 30<sup>th</sup> of April and 31<sup>st</sup> October in each year in respect of the half-yearly period ending on the previous 31<sup>st</sup> March and 30<sup>th</sup> September;
- 9.1.2 the said preference shares, after having received the said fixed preferential dividend, shall not participate further in the Company's profits in any year;
- 9.1.3 in the case of a winding-up of the Company, the said preference shares shall be entitled in priority to the ordinary shares to repayment of the nominal amount of the capital paid up or deemed to be paid up thereon and any arrears of cumulative preferential dividend, whether declared or not, up to the date of commencement of the winding-up, but they shall not be entitled to any further participation in the capital or profits of the Company;
- 9.1.4 no new shares ranking prior to or ranking *pari passu* with the said preference shares shall be created or issued save with the consent in writing of the holders of three-quarters of the said preference shares, or with the sanction of a resolution passed, in the same manner, *mutatis mutandis*, as a special resolution of the Company, at a separate general meeting of the holders of the said preference shares.
- 9.2 The holders of preference shares shall be entitled to receive notice of and to attend general meetings but shall not be entitled to vote upon any resolution at any general meeting other than a resolution –
- 9.2.1 for the winding up the Company;
- 9.2.2 to reduce the share capital of the Company;
- 9.2.3 adversely affecting the class rights or privileges of such preference shares;
- 9.2.4 ratifying or confirming any provisional contract made by the directors for or otherwise –
- 9.2.4.1 sanctioning the sale or abandonment of –
- 9.2.4.1.1 the undertaking of the Company; or
- 9.2.4.1.2 of all or the major portion of the property and assets of the company; or
- 9.2.4.2 the absolute alienation of the whole or major portion of the property and assets of the Company and the rights belonging thereto or connected therewith,

unless, at the date of the notice convening the general meeting in

question, the fixed cumulative preferential dividend on such shares in respect of any half year is in arrear for more than 12 (twelve) months and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in 9.1.1 in respect of the periods mentioned in that article. In that event any holder of such 6% (six percent) cumulative preference shares who (being an individual) is present in person, or (being a company) is present by a representative or proxy, not being himself a shareholder, who is entitled to vote at a general meeting, shall, on a show of hands, have one vote on the resolution on which he is entitled to vote, and being present in person or by proxy shall, on a poll on any such resolution, have that proportion of the total votes in the Company which the aggregate amount of the nominal value of the 6% (six percent) cumulative preference shares held by him bears to the aggregate amount of the nominal value of all the shares issued by the Company.

## SCHEDULE 1 – AUTHORISED SHARES

### A. Classified shares

1. 400 000 000 (four hundred million) ordinary par value shares of R0.05 (five cents) each, each of which shall entitle the holder, subject to any preferences, rights or other share terms of any class of shares in the Company ranking prior to the ordinary shares:
  - (i) to vote on any matter to be decided by shareholders;
  - (ii) to receive any distribution in accordance with the holder's voting power;
  - (iii) on a liquidation of the Company, to receive the net assets of the Company in accordance with the holder's voting power;
  - (iv) to all of the preferences, rights or other terms set out in the Act or this Memorandum;
  - (v) to any other rights at common law insofar as such rights are not inconsistent with this Memorandum or the Act.
2. The 500 000 (five hundred thousand) 6% cumulative preference shares of R2 (two Rand) each, each of which shall entitle the holder to all of the preferences, rights or other terms set out in 9.

### B. Unclassified shares

None.