

Republic of South Africa

Companies Act, 2008

**MEMORANDUM OF INCORPORATION FOR A LISTED PUBLIC COMPANY**

Name of company: **CITY LODGE HOTELS LIMITED**

Registration No.: 1986/002864/06

This MOI was adopted by Special Resolution passed in substitution for the existing memorandum and articles of association of the Company on 21 November 2024.

A handwritten signature in black ink, appearing to read 'M. M. M. M.', is written above a horizontal line.

CHAIRMAN

## 1 INTERPRETATION

In this MOI, -

- 1.1. words that are defined in the Act but not defined in this MOI will bear the same meaning in this MOI as in the Act read where necessary with definitions in the Listings Requirements. For ease of reading, such terms have been capitalised in this MOI;
- 1.2. unless the context otherwise requires –
  - 1.2.1. "**Act**" means the Companies Act, No 71 of 2008, as amended or any legislation which replaces it and including the Regulations unless the context otherwise requires;
  - 1.2.2. "**accounting records**" means information in written or electronic form concerning the financial affairs of a company as required in terms of this Act including, but not limited to, purchase and sales records, general and subsidiary ledgers and other documents and books used in the preparation of financial statements;<sup>1</sup>
  - 1.2.3. "**alternate director**" means a person elected or appointed to serve, as the occasion requires, as a member of the board of a company in substitution for a particular elected or appointed director of that company;
  - 1.2.4. "**amalgamation or merger**" means a transaction, or series of transactions, pursuant to an agreement between two or more companies, resulting in-
    - 1.2.4.1. the formation of one or more new companies, which together hold all of the assets and liabilities that were held by any of the amalgamating or merging companies immediately before the implementation of the agreement, and the dissolution of each of the amalgamation or merging companies; or
    - 1.2.4.2. the survival of at least one of the amalgamating or merging companies, with or without the formation of one or more new companies, and the vesting in the surviving company or companies, together with such new company or companies, of all of the assets and liabilities that were held by any of the amalgamating or merging companies immediately before the implementation of the agreement;
  - 1.2.5. "**annual general meeting**" means the meeting of a public company required by section 61(7);

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<sup>1</sup> Regulation 25(3) contains requirements as to what the accounting records must include.

- 1.2.6. **"audit"** has the meaning set out in the Auditing Profession Act, but does not include an "independent review" of annual Financial Statements, as contemplated in section 30(2)(b)(ii)(bb);
- 1.2.7. **"Auditing Profession Act"** means the Auditing Profession Act, 2005 (Act No. 26 of 2005);
- 1.2.8. **"auditor"** has the meaning set out in the Auditing Profession Act;
- 1.2.9. **"Banks Act"** means the Banks Act, 1990 (Act No. 1194 of 1990);
- 1.2.10. **"beneficial interest"**, when used in relation to a company's securities, means the right or entitlement of a person, through ownership, agreement, relationship or otherwise, alone or together with another person to—
- 1.2.11. receive or participate in any distribution in respect of the company's securities;
- 1.2.12. exercise or cause to be exercised, in the ordinary course, any or all of the rights attaching to the company's securities; or
- 1.2.13. dispose or direct the disposition of the company's securities, or any part of a distribution in respect of the securities,
- but does not include any interest held by a person in a unit trust or collective investment scheme in terms of the Collective Investment Schemes Act, 2002 (Act No. 45 of 2002);
- 1.2.14. **"board"** means the board of directors of a company;
- 1.2.15. **"business days"** has the meaning determined in accordance with section 5(3);
- 1.2.16. **"central securities depository"** has the meaning set out in section 1 of the Financial Markets Act, 2012 (Act No. 19 of 2012);;
- 1.2.17. **"Commission"** means the Companies and Intellectual Property Commission established by section 185;
- 1.2.18. **"Commissioner"** means the person appointed to or acting in the office of that name, as contemplated in section 189;
- 1.2.19. **"company"** means a juristic person incorporated in terms of this Act, a domesticated company, or a juristic person that, immediately before the effective date —
- 1.2.19.1. was registered in terms of the —

- (i) Companies Act, 1973 (Act No. 61 of 1973), other than as an external company as defined in that Act; or
  - (ii) Close Corporations Act, 1984 (Act No. 69 of 1984), if it has subsequently been converted in terms of **Error! Reference source not found.**;
- 1.2.19.2. was in existence and recognised as an 'existing company' in terms of the Companies Act, 1973 (Act No. 61 of 1973); or
- 1.2.19.3. was deregistered in terms of the Companies Act, 1973 (Act No. 61 of 1973), and has subsequently been re-registered in terms of this Act;
- 1.2.20. **"Company"** means City Lodge Hotels Limited or whatever other name it may be lawfully known by from time to time;
- 1.2.21. **"Competition Act"**, means the Competition Act, 1998 (Act No. 89 of 1998);
- 1.2.22. **"consideration"** means anything of value given and accepted in exchange for any property, service, act, omission or forbearance or any other thing of value, including—
  - 1.2.22.1. any money, property, negotiable instrument, securities, investment credit facility, token or ticket;
  - 1.2.22.2. any labour, barter or similar exchange of one thing for another; or
  - 1.2.22.3. any other thing, undertaking, promise, agreement or assurance, irrespective of its apparent or intrinsic value, or whether it is transferred directly or indirectly;
- 1.2.23. **"convertible"** when used in relation to any securities of a company, means securities that may, by their terms, be converted into other securities of the company, including—
  - 1.2.23.1. (a) any non-voting securities issued by the company and which will become voting securities—
    - 1.2.23.1.1. on the happening of a designated event; or
    - 1.2.23.1.2. if the holder of those securities so elects at some time after acquiring them; and
    - 1.2.23.1.3. options to acquire securities to be issued by the company, irrespective of whether those securities may

be voting securities, or non-voting securities contemplated in paragraph (a);

1.2.24. **"Deliver"** means deliver in the manner in which the Company is entitled to give notice or deliver documents in accordance with clause 37 (*Notices*) and the Act and Regulations and shall, where permitted by the Act and Listings Requirements, include delivery of an abridged document together with instructions as to how the recipient may obtain an unabridged version of such document;

1.2.25. **"director"** means a member of the board of a company, as contemplated in section 66, or an alternate director of a company and includes any person occupying the position of a director or alternative director, by whatever name designated;

1.2.26. **"distribution"** means a direct or indirect—

1.2.26.1. transfer by a company of money or other property of the company, other than its own shares, to or for the benefit of one or more holders of any of the shares or to the holder of a beneficial interest in any such shares, of that company or of another company within the same group of companies, whether—

1.2.26.1.1. in the form of a dividend;

1.2.26.1.2. as a payment in lieu of a capitalisation share, as contemplated in section 47;

1.2.26.1.3. as consideration for the acquisition—

1.2.26.1.3.1. by the company of any of its shares, as contemplated in section 48; or

1.2.26.1.3.2. by any company within the same group of companies, of any shares of a company within that group of companies; or

1.2.26.1.4. otherwise in respect of any of the shares of that company or of another company within the same group of companies, subject to section 164(19);

1.2.26.2. incurrence of a debt or other obligation by a company for the benefit of one or more holders of any of the shares of that company or of another company within the same group of companies; or

1.2.26.3. forgiveness or waiver by a company of a debt or other obligation owed to the company by one or more holders of any of the shares of that company or of another company within the same group of companies,

but does not include any such action taken upon the final liquidation of the Company;

- 1.2.27. **"Effective Date"**, with reference to any particular provision of this Act, means the date on which that provision came into operation in terms of section 225;
- 1.2.28. **"Electronic Address"** means in regard to Electronic Communication, any email address furnished to the Company by the Holder;
- 1.2.29. **"Electronic Communication"** has the meaning set out in section 1 of the Electronic Communications and Transactions Act, 2002;
- 1.2.30. **"Exercise"** when used in relation to voting rights, includes voting by proxy, nominee, trustee or other person in a similar capacity;
- 1.2.31. **"Ex Officio Director"** means a person who holds office as a director of a particular company solely as a consequence of that person holding some other office, title, designation or similar status specified in the company's Memorandum of Incorporation;
- 1.2.32. **"External Company"** means a foreign company that is carrying on business, or non-profit activities, as the case may be, within the Republic, subject to section 23(2);
- 1.2.33. **"FMA"** means the Financial Markets Act, 2012 as amended or any legislation which replaces it from time to time;
- 1.2.34. **"Group of companies"** means a holding company and all of its subsidiaries;
- 1.2.35. **"Holding Company"**, in relation to a subsidiary, means a juristic person that controls that subsidiary as a result of any circumstances contemplated in section 2(2)(a) or 3(1)(a);
- 1.2.36. **"Holders"** means registered holders of Securities;
- 1.2.37. **"Individual"** means a natural person;
- 1.2.38. **"Ineligible or Disqualified"** means ineligible or disqualified as contemplated in the Act;
- 1.2.39. **"Inter-related"**, when used in respect of three or more persons, means persons who are related to one another in a linked series of relationships, such that two of the persons

are related in a manner contemplated in section 2(1) and one of them is related to the third in any such manner, and so forth in an unbroken series;

1.2.40. "**JSE**" means the exchange operated by JSE Limited (Registration No. 2005/022939/06) (or any other name by which it may be known in the future) or its successor body;

1.2.41. "**Juristic person**" includes—

1.2.41.1. a foreign company; and

1.2.41.2. a trust, irrespective of whether or not it was established within or outside the Republic;

1.2.42. "**Knowing**", "**Knowingly**" or "**Knows**", when used with respect to a person, and in relation to a particular matter, means that the person either—

1.2.42.1. Had actual knowledge of the matter; or

1.2.42.2. Was in a position in which the person reasonably ought to have—

1.2.42.2.1. had actual knowledge;

1.2.42.2.2. investigated the matter to an extent that would have provided the person with actual knowledge; or

1.2.42.2.3. taken other measures which, if taken, could reasonably be expected to have provided the person with actual knowledge of the matter;

1.2.43. "**Listings Requirements**" means the listings requirements of the JSE, as amended from time to time;

1.2.44. "**MOI**" means this Memorandum of Incorporation;

1.2.45. "**Nominee**" has the meaning set out in section 1 of the Financial Markets Act, 2012 (Act No. 19 of 2012, as amended);

- 1.2.46 **"Odd-lot"** means any total holding by a single Shareholder of -
- 1.2.46.1 less than 100 Securities; or
  - 1.2.46.2 100 or more Securities as determined by the Directors at the relevant time and approved by the JSE;
- 1.2.47 **"Odd-lot Offer"** means an offer to the Shareholders of Odd-lots in terms of which they may elect to retain or sell their Odd-lots, subject to the JSE Listings Requirements;
- 1.2.48 **"Participant"** means a depository institution accepted by a Central Securities Depository as a participant in the FMA;
- 1.2.49 **"Person"** includes a juristic person;
- 1.2.50 **"Prescribed Officer"** means a person who, within a company, performs any function that has been designated by the Minister in terms of section 66(10);
- 1.2.51 **"Present at a Meeting"** means to be present in person, or able to participate in the meeting by electronic communication, or to be represented by a proxy who is present in person or able to participate in the meeting by electronic communication;
- 1.2.52 **"Private Company"** means a profit company that—
- 1.2.52.1 is not a public, personal liability or state-owned company; and
  - 1.2.52.2 satisfies the criteria set out in section 8(2)(b);
- 1.2.53 **"Profit company"** means a company incorporated for the purpose of financial gain for its shareholders;
- 1.2.54 **"Public Company"** means a profit company that is not a state-owned company, a private company or a personal liability company;
- 1.2.55 **"Record Date"** means the date established under section 59 on which a company determines the identity of its shareholders and their shareholdings for the purposes of this Act;
- 1.2.56 **"Registered Auditor"** has the meaning set out in the Auditing Profession Act;
- 1.2.57 **"Registered Office"** means the office of a company, or of an external company, that is registered as required by section 23;
- 1.2.58 **"Regulations"** means regulations published pursuant to the Act;



- 1.2.59 **"Related"** when used in respect of two persons, means persons who are connected to one another in any manner contemplated in section 2(1)(a) to section (c);
- 1.2.60 **"Rules"** and **"Rules of a Company"** means any rules made by a company as contemplated in section 15(3) to (5);
- 1.2.61 **"Securities"** for purposes of the Act means any shares or debentures irrespective of their form or title, issued or authorised to be issued by a profit company;
- 1.2.62 **"Securities Register"** means the register required to be established by a profit company in terms of section 50(1);
- 1.2.63 **"SENS"** means the Securities Exchange News Service operated by the JSE and any other official electronic news service which may replace it;
- 1.2.64 **"Shareholder"**, subject to section 57(1), means the holder of a share issued by a company and who is entered as such in the certificated or uncertificated securities register, as the case may be;
- 1.2.65 **"Shareholders' Meeting"**, with respect to any particular matter concerning a company, means a meeting of those holders of that company's issued securities who are entitled to exercise voting rights in relation to that matter;
- 1.2.66 **"Shares"** means the shares in the share capital of the Company;
- 1.2.67 **"Solvency and Liquidity Test"** means the test set out in section 4 (1);
- 1.2.68 **"Special Resolution"** means—
- 1.2.68.1 in the case of a company, a resolution adopted with the support of at least 75% (seventy five per cent) of the voting rights exercised on the resolution, or a different percentage as contemplated in section 65(10) -
- 1.2.68.1.1 at a Shareholders' Meeting; or
- 1.2.68.1.2 by holders of the company's securities acting other than at a meeting, as contemplated in section 60; or
- 1.2.68.2 in the case of any other juristic person, a decision by the owner or owners of that person, or by another authorised person, that requires the highest level of support in order to be adopted, in terms of the relevant law under which that juristic person was incorporated;

- 1.2.69 **"Subsidiary"** has the meaning determined in accordance with section 3;
- 1.2.70 **"Uncertificated Securities"** means securities as defined in the FMA which are by virtue of the Act transferable without a written instrument and are not evidenced by a certificate;
- 1.2.71 **"Voting Power"** with respect to any matter to be decided by a company, means the voting rights that may be exercised in connection with that matter by a particular person, as a percentage of all such voting rights;
- 1.2.72 **"Voting Rights"** with respect to any matter to be decided by a company, means—
  - 1.2.72.1 the rights of any holder of the company's securities to vote in connection with that matter, in the case of a profit company; or
  - 1.2.72.2 the rights of a member to vote in connection with the matter, in the case of a non-profit company;
- 1.2.73 **"Voting Securities"** with respect to any particular matter, means securities that—
  - 1.2.73.1 carry voting rights with respect to that matter; or
  - 1.2.73.2 are presently convertible to securities that carry voting rights with respect to that matter;
- 1.2.74 **"Wholly-owned Subsidiary"** has the meaning determined in accordance with section 3(1)(b).
- 1.2.75 **"Writing"** or **"Written"** includes Electronic Communication and delivery of a data storage device containing electronic communication, but as regards any Holder entitled to vote, only to the extent that such Holder has notified the Company of an Electronic Address;
- 1.3 references to Holders represented by proxy shall include Holders entitled to vote represented by an agent appointed under a general or special power of attorney;
- 1.4 references to Holders entitled to vote Present at a Meeting or acting in person shall include juristic persons represented by duly authorised representative or acting in the manner prescribed in the Act;
- 1.5 all references to "section/s" in this MOI refer to the sections of the Act unless the context indicates otherwise;
- 1.6 clause headings are for reference purposes only and shall not affect the interpretation of this MOI;

- 1.7 words in the singular number shall include the plural, and words in the plural number shall include the singular, words importing the masculine gender shall include the female gender, and words importing persons shall include created entities (corporate or not);
- 1.8 if any term is defined within the context of any particular clause in the MOI, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this MOI, notwithstanding that that term has not been defined in this interpretation provision;
- 1.9 save to the extent that item 4(4) of Schedule 5 of the Act may permit this MOI to prevail, if the provisions of this MOI are in any way inconsistent with the provisions of the Act, the provisions of the Act shall prevail, and this MOI shall be read in all respects subject to the Act;
- 1.10 the rule of construction that a contract shall be interpreted against the party responsible for the drafting or preparation of the contract, shall not apply to this MOI.
- 1.11 all references to and limitations imposed by reference to the JSE and/or the Listings Requirements shall apply for so long as the Company is listed on the JSE;
- 1.12 references to:
- 1.12.1 sections of the Act are referenced by the letter “S”;
  - 1.12.2 sections of the JSE Listings Requirements, Schedule 10, are referenced by the letters “LR”;
- and such references are for information purposes only.
- 1.13 when a particular number of Business Days is provided for between the happening of one event and another, the number of days must be calculated by —
- 1.13.1 excluding the day on which the first such event occurs;
  - 1.13.2 including the day on or by which the second event is to occur; and
  - 1.13.3 excluding any public holiday, Saturday or Sunday that falls on or between the days contemplated in clauses 1.13.1 and 1.13.2 respectively.

## **2 POWERS AND CAPACITY OF THE COMPANY [S19]**

- 2.1 The Company has the powers and capacity of an Individual, except to the extent that a juristic person is incapable of exercising such power, or having such capacity. [S19(1)(b)(i)].

- 2.2 Notwithstanding the omission from this MOI of any provision to that effect, the Company may do anything which the Act empowers a company to do if so authorised by its MOI. [S19(1)(b)(ii); S15(2)(b)(c) and (c)]

### **3 AMENDMENTS TO THE MOI [S16, S17]**

3.1 Save for correcting errors substantiated as such from objective evidence or which are self evident errors (including, but without limitation *ejusdem generis*, spelling, punctuation, reference, grammar or similar defects) in the MOI, but subject to the Listings Requirements, which the Board is empowered to do, all other amendments of the MOI shall be effected in compliance with a court order in accordance with sections 16(1) and 16(4) [LR10.5(d)] of the Act or a Special Resolution passed by the Holders of the ordinary Shares. [S16(1)(c)] The Board shall publish a copy of any such correction effected by the Board on the Company's web site.

3.2 In accordance with the Listings Requirements, the following items (without limitation) shall be deemed to be amendments to the MOI –

3.2.1 creation of any class of Shares; [LR10.5(d)(i)]

3.2.2 variation of any preferences, rights, limitations or other Share terms attaching to any class of Shares; [LR10.5(d)(ii)]

3.2.3 conversion of one class of Shares into one or more other classes; [LR10.5(d)(iii)]

3.2.4 increase in the number of authorised Securities; [LR10.5(d)(iv)]

3.2.5 consolidation of Securities; [LR10.5(d)(v)]

3.2.6 sub-division of Securities; [LR10.5(d)(vi)]

3.2.7 change of name of the Company; [LR10.5(d)(vii)]

3.2.8 conversion of Shares from par value to no par value; and

but, for clarity, an amendment ordered by a court in terms of section 16(1)(a) of the Act shall not require the approval of shareholders. [LR10.5(d)]

### **4 THE MAKING OF RULES**

The Board shall not make, amend or appeal Rules. [LR10.4; S15(3)] For the avoidance of doubt, this article does not detract from the authority of the Board to regulate the Company and its operations, subject to the Listings Requirements.

## 5 AUTHORISED SECURITIES AND ALLOTMENT AND ISSUE

- 5.1 The Company is authorised to issue the following numbers and classes of Shares (which includes Shares already issued at any time) - 10 000 000 000 (ten billion) ordinary no par value Shares which shall, save as limited in terms of the Listings Requirements, have Voting Rights in respect of every matter that may be decided by voting, shall rank after all other classes of Shares in the Company which do not rank *pari passu* with the ordinary Shares as regards Distributions and returns of capital, but save as aforesaid shall be entitled to receive the net assets of the Company upon its liquidation.
- 5.2 The Board shall not have the power to amend the authorisation (including increasing or decreasing the number) and classification of shares (including determining rights and preferences) as contemplated in section 36(2)(b) or 36(3) of the Act.
- 5.3 All Securities of a class shall rank *pari passu* in all respects. [LR10.5(a)] All or any of the rights, privileges or conditions for the time being attached to any class of Securities may (unless otherwise provided by the terms of issue of the Securities of that class) whether or not the Company is being wound up, be varied in any manner with the Written consent of the Holders of not less than 75% (seventy five per cent) of the issued Securities of that class, or with the sanction of a Special Resolution passed at a separate meeting of the Holders of that class, provided that no variation or amendment may be determined by reference to any external fact or facts, as contemplated in section 37 of the Act. The Holders of that class of Securities shall also be entitled to vote with the Holders of the ordinary Shares as regards the passing of any resolution required to be passed for such variation by the Holders of the ordinary Shares. The provisions of this MOI relating to Shareholders' Meetings shall *mutatis mutandis* apply to any such separate meeting except that –
- 5.3.1 the necessary quorum shall be the Holders of not less than 25% (twenty-five per cent) of the issued Securities of that class;
- 5.3.2 if at any adjourned meeting of such Holders, the required quorum contemplated in clause 5.3.1 is not present, those Persons entitled to vote who are Present shall constitute a quorum.

## 6 AUTHORITY TO ISSUE SECURITIES

- 6.1 The Board shall not have the power to issue authorised Securities (other than as contemplated in clause 6.4) without the prior approval contemplated in clause 6.2 and in accordance with the Listings Requirements.
- 6.2 As regards the issue of –

6.2.1 Shares contemplated in sections 41(1) and (3) of the Act or as contemplated in Listings Requirements, the Board shall not have the power to allot or issue same without the prior approval of a Special Resolution;

6.2.2 Shares, other than those contemplated in clause 6.2.1, and other Securities including options in respect thereof, the Board shall not have the power to allot or issue same without the prior approval of an Ordinary Resolution,

unless such issue is permitted in terms of the Listings Requirements applicable to the Company at that point in time.

6.3 Any such approval must be in accordance with the Act and may be in the form of a general authority to the Board, whether conditional or unconditional, to allot or issue any such Securities contemplated in clauses 6.2.1 and 6.2.2 in their discretion, or in the form of a specific authority in respect of any particular allotment or issue of such Securities contemplated in clauses 6.2.1 and 6.2.2, provided such transactions have been approved by the JSE and are subject to the Listings Requirements. Such authority shall endure for the period provided in the Ordinary or Special Resolution in question but may be revoked by Ordinary Resolution or Special Resolution, as the case may be, at any time. [LR10.1]

6.4 The Board may issue –

6.4.1 capitalisation Shares or offer a cash payment in lieu of awarding a capitalisation Share in accordance with section 47 of the Act; and [LR10.6]

6.4.2 secured and unsecured debt instruments provided that no special privileges may be granted to secured and unsecured debt instruments as contemplated in section 43(3) of the Act. [LR10.10]

6.5 No Shares of a class which is listed may be issued other than as fully paid. [LR10.2]

## **7 PRE-EMPTION ON ISSUE OF UNISSUED EQUITY SECURITIES**

Subject to clause 43, Equity Securities of a particular class in the Company which are authorised but unissued and which are intended to be issued for cash, may be offered to the existing Holders of that class of equity Securities by way of a rights offer *pro rata* to the Voting Power of that Shareholder's Voting Rights of that class of equity Securities immediately before the offer was made with a reasonable time allowed to subscribe, except if to be issued [LR10.1] –

7.1 for cash, for an acquisition of assets (including another company) or an issue for the purposes of an Amalgamation or Merger; [LR10.1]

7.2 in terms of option or Conversion rights;

7.3 if a capitalisation issue is to be undertaken,

provided that no fraction of an equity Security may be issued and accordingly the Directors shall be entitled to round off the number of equity Securities based on standard rounding convention (i.e. rounded down to the nearest whole number if they are less than 0,5 (zero comma five) and rounded up to the nearest whole number if they are equal to or greater than 0,5 (zero comma five)), resulting in allocations of whole equity Securities and no fractional entitlements. After the expiration of the time within which an offer may be accepted, or on the receipt of an intimation from the Person to whom the offer is made that he/she/it decline to accept the equity Securities offered, the Board may, subject to the foregoing provisions, issue such equity Securities in such manner as they think most beneficial to the Company.

## **8 CERTIFICATES EVIDENCING ISSUED SECURITIES, UNCERTIFICATED SECURITIES AND SECURITIES REGISTER [S50 AND S51]**

8.1 The Securities issued by the Company may either be certificated or uncertificated in which case the Company must not issue certificates evidencing or purporting to evidence title to those Securities. When any new Securities are to be issued by the Company, the subscriber shall, subject to the Act, be entitled to elect whether all or part of the Securities offered to her/him/it shall be in certificated or uncertificated form. Each original certificate issued to a Holder in certificated form shall be issued without charge, but for every subsequent certificate issued in respect of the same Securities to the same Holder, the Board shall be entitled, as they may deem fit, to require a charge in settlement of the reasonable costs included in such issue.

8.2 The Company shall convert its share register into a Securities Register with effect from the Effective Date which shall reflect –

8.2.1 the number of Securities authorised and available to be issued and the date of authorisation;

8.2.2 the total number of Securities of a class that have been issued, re-acquired or surrendered to the Company;

8.2.3 the number of Securities of a class that are held in uncertificated form;

8.2.4 the number of Securities of that class that are the subject of options or conversion rights which, if exercised, would require Securities of that class to be issued;

8.2.5 in the case of Uncertificated Securities, a unique identifying number of the Person to, from or by whom the Securities were issued, re-acquired or surrendered, as the case may be;

8.2.6 details of any unlisted Securities issued by the Company.

8.3 As soon as practicable after -

8.3.1 issuing any Securities the Company must enter or cause to be entered in its Securities Register, in respect of every class of Securities evidenced by certificates that it has issued —

8.3.1.1 the names and addresses and identity numbers of the Persons to whom the Securities were issued;

8.3.1.2 those Persons' Electronic Addresses who have furnished them;

8.3.1.3 the number and class of Securities issued to each of them, the date of issue, distinguishing numbers and the subscription Consideration;

8.3.1.4 the total number of Securities of a class held by any Person;

8.3.1.5 the date on which any such Securities were transferred by the Holder or by operation of law to another Person or re-acquired by or surrendered to the Company;

8.3.1.6 as regards debt instruments as contemplated in section 43 of the Act –

8.3.1.6.1 the number of those Securities still in issue;

8.3.1.6.2 the names and addresses of the Holders of the Securities and any holders of a Beneficial Interest in the Securities;

8.3.1.7 the total number of Uncertificated Securities from time to time; and

8.3.1.8 any other information prescribed in terms of the Act from time to time.

8.3.2 the re-acquisition or surrender of any Securities, the Company must enter or cause to be entered in its Securities register, –

8.3.2.1 the date on which the Securities were re-acquired or surrendered to the Company;

8.3.2.2 the distinguishing number or numbers of any certificated Securities re-acquired or surrendered to the Company;

8.3.2.3 the Consideration for which the Securities were re-acquired by, or surrendered to the Company; and



- 8.3.2.4 the name of the Person from or by whom the Securities were re-acquired or surrendered, as the case may be; and
  - 8.3.2.5 any other information prescribed in terms of the Act from time to time.
- 8.4 In respect of Uncertificated Securities, the Company shall ensure that a record is administered and maintained by a Participant or Central Securities Depository as the Company's Uncertificated Securities Register, which shall form part of the Company's Securities Register and which shall contain the details with respect to the Uncertificated Securities referred to in clause 8.3.1, read with the changes required by the context.
- 8.5 The Company shall establish and maintain a register to record all Beneficial Interests disclosures made in terms of section 56 of the Act, including the following information for any Securities in respect of which a disclosure was made –
  - 8.5.1 the name and unique identifying number of the Holder of the Securities;
  - 8.5.2 the number, class and the distinguishing numbers of the Securities; and
  - 8.5.3 for each Person who holds a Beneficial Interest in the Securities, the extent of the Person's Interest in the Securities, together with that Person's –
    - 8.5.3.1 name and unique identity number;
    - 8.5.3.2 business, residential or postal address;
    - 8.5.3.3 Electronic Address if available.
- 8.6 Securities certificates shall be issued in such manner and form as the Board shall from time to time prescribe in accordance with the Act and the Listings Requirements save that they must -
  - 8.6.1 state on the face –
    - 8.6.1.1 the name of the Company;
    - 8.6.1.2 the name of the Person to whom the Securities were issued;
    - 8.6.1.3 the number and class of Shares and the designation of the series, if any, evidenced by that certificate; and
    - 8.6.1.4 any restriction on the transfer of the Securities (which are not listed on the JSE) evidenced by that certificate;

- 8.6.2 be signed by two Persons authorised by the Board by autographic, mechanical or electronic means.
- 8.7 Each class of Shares, and any other Securities, must be distinguished by an appropriate numbering system.
- 8.8 Each Holder shall be entitled to 1 (one) certificate for all the Securities of a particular class registered in her/his/its name, or to several certificates, each for a part of such Securities.
- 8.9 A certificate for Securities registered in the names of 2 (two) or more Persons shall be Delivered to the Person first named in the Securities Register and Delivery of a certificate for Securities to that Person shall be a sufficient Delivery to all joint Holders.
- 8.10 If a certificate for Securities or share warrant to bearer is defaced, lost or destroyed, it may be renewed, on such terms, as to evidence and indemnity and payment of such fee as the Board think fit, and (in case of defacement) on delivery of the old certificate or share warrant to bearer to the Company.
- 8.11 A Person –
- 8.11.1 acquires the rights associated with any particular Securities of the Company when that Person's name is entered in the Company's Securities Register as a Person to whom those Securities have been issued or transferred; and
- 8.11.2 ceases to have the rights associated with any particular Securities of the Company when the transfer to another Person, re-acquisition by the Company, or surrender to the Company of those Securities has been entered in the Company's Securities Register.
- 8.12 After receiving a notice from a Central Securities Depository or Participant that a Holder who wishes to withdraw all or part of the Uncertificated Securities held by that Person in an Uncertificated Securities Register, and obtain a certificate in respect of those withdrawn Securities, the Company must –
- 8.12.1 immediately enter the relevant Person's name and details of that Person's holding of Securities in the Securities Register and indicate on the Securities Register that the Securities so withdrawn are no longer held in uncertificated form;
- 8.12.2 within 10 (ten) Business Days, or 20 (twenty) Business Days in the case of a Holder who is not resident within South Africa –
- 8.12.2.1 prepare and Deliver to the relevant Person a certificate in respect of the Securities; and

8.12.2.2 notify the Central Securities Depository that the Securities are no longer held in uncertificated form,

and may charge the Holder a reasonable fee to cover the actual costs of issuing a certificate.

8.13 If the Company issues Securities which are not listed on the JSE, the share certificates for those Securities must be stamped "unlisted securities" and may only be released by the Company with the Written permission of the JSE.

## **9 SECURITIES BEING HELD BY ONE PERSON FOR THE BENEFICIAL INTEREST OF ANOTHER OR THE COMPANY TAKING ANY LIEN [S56]**

9.1 Securities may be held by, and registered in the name of, one or more persons for the beneficial interest of another person.

9.2 The Company shall permit Securities to be voted upon by the holder of a Beneficial Interest provided the:

9.2.1 Beneficial Interest includes the right to vote on the matter; and

9.2.2 Company's register of disclosure reflects the holder's name as the holder of a Beneficial Interest.

9.3 The Company shall not be entitled to take any lien over any Securities issued by it. [LRS10.12]

## **10 LISTINGS ON OTHER STOCK EXCHANGES**

10.1 The Company may seek listings on such stock exchanges as the Board may consider appropriate from time to time.

10.2 For so long as the Securities of the Company are listed on any stock exchange in addition to the JSE, if the listing on the JSE is the primary listing and if the Company is obliged to obtain the approval of the JSE in regard to any matter, the approval of the JSE as primary regulator with regard to such matter shall be sufficient for all intents and purposes to allow and permit the Company to undertake the act for which the JSE's consent is required.

## **11 COMMISSION**

The Company may not pay commission exceeding 10% (ten per cent) of the total subscription price at which Securities are issued to any Person, in consideration for their subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Securities or for their procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any Securities. [LR10.14]

## 12 TRANSFER OF SECURITIES

- 12.1 Unless otherwise required by statute, there is no restriction on the transfer of Securities. .
- 12.2 The transfer of any Securities which are certificated shall be implemented using the then common form of transfer. Every instrument of transfer shall be left at the transfer office of the Company at which it is presented for registration, accompanied by the certificate of the Securities to be transferred, and or such other evidence as the Company may require to prove the title of the transferor or his/her/its rights to transfer the Securities.
- 12.3 All authorities to sign transfer deeds granted by Holders 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 Written notice 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. Even after the giving and lodging of such notices the Company shall be entitled to give effect to any instruments 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. [LR10.2(b)]
- 12.4 The Company must enter in its Securities Register regarding every transfer of any Securities the information contemplated in clause 8.3.1, any reference to issue being read as a reference to transfer, including in the entry -
- 12.4.1 the date of the transfer; and
- 12.4.2 if and to the extent applicable, as regards Shares of any class which are not listed on the JSE and which are to be issued in accordance with the provisions of section 40(5) and (6) of the Act, the value of any Consideration still to be received by the Company on each Share or interest, or the subscription price which has not been fully paid, in respect of Shares in such class,
- provided that such entry may only be made if the transfer -
- 12.4.3 is evidenced by a proper instrument of transfer that has been Delivered to the Company;  
or
- 12.4.4 was effected by operation of law.
- 12.5 The Securities Register (but not any Sub-Registers) may, upon notice being given by advertisement in the South African Government Gazette and a newspaper circulating in the district in which the office of the Company is situate, and, in the case of any branch register, be

closed during such time as the Board think fit, but not exceeding in the whole 60 (sixty) days in each year.

### **13 TRANSMISSION OF SECURITIES BY OPERATION OF LAW**

Subject to the laws relating to securities transfer tax upon or in respect of the estates of deceased Persons and the administration of the estates of insolvent and deceased Persons and Persons under disability -

13.1 the parent or guardian or curator of any Holder who is a minor;

13.2 the trustee of an insolvent Holder;

13.3 the liquidator of a body corporate Holder;

13.4 the tutor or curator of a Holder under disability;

13.5 the executor or administrator of the estate of a deceased Holder; or

13.6 any other Person becoming entitled to any Securities held by a Holder by any lawful means other than transfer in terms of this MOI,

shall, upon production of such evidence as may be required by the Board, have the right either to -

13.7 to exercise the same rights and to receive the same Distributions and other advantages to which she/he/it would be entitled if she/he/it were the Holder of the Securities registered in the name of the Holder concerned; or

13.8 herself/himself/itself to be registered as the Holder in respect of those Securities and to make such transfer of those Securities as the Holder concerned could have made,

but the Board shall have the same right to decline or suspend registration as they would have had in the case of a transfer of the Securities by the Holder. [LR10.13]

### **14 FINANCIAL YEAR**

The financial year end of the Company is 30 June, or such other financial year as may be reflected in the relevant document as per the Commission relating to a change in year end

### **15 ACCOUNTING RECORDS AND FINANCIAL STATEMENTS**

15.1 The Company shall maintain the necessary Accounting Records in accordance with the Act.

- 15.2 The Company shall prepare its Financial Statements in accordance with the International Financial Reporting Standards and shall have its annual Financial Statements audited. In addition the annual Financial Statements shall reflect the -
- 15.2.1 Beneficial Interests of the Directors and major Shareholders as envisaged in the Listing Requirements;
  - 15.2.2 status of any Securities issued by the Company which are not listed on the JSE.
- 15.3 The Board shall from time to time determine at what times and places and under what conditions, subject to the requirements of the Regulations, the documents which the Holders and holders of Beneficial Interests, not being Directors, are entitled to inspect and take copies of, in accordance with the provisions of the Act, (being –
- 15.3.1 the MOI;
  - 15.3.2 amendments to the MOI;
  - 15.3.3 records in respect of Directors;
  - 15.3.4 reports to Annual General Meetings;
  - 15.3.5 annual Financial Statements;
  - 15.3.6 notices and minutes of Shareholders' Meetings;
  - 15.3.7 communications generally to Holders;
  - 15.3.8 the Securities Register; and
  - 15.3.9 the register of the disclosure of Beneficial Interest in the Company).
- 15.4 The Company shall to the extent permitted by law be entitled in lieu of providing the full annual Financial Statements, to provide an abridged version or summary of the annual Financial Statements.
- 15.5 Apart from the Holders and holders of Beneficial Interests, any other Person shall be entitled to inspect and copy the documents of the Company set out in clauses 15.3.1, 15.3.2, 15.3.3, 15.3.5, 15.3.8 and 15.3.9.
- 15.6 The Company shall notify the Holders and the holders of Beneficial Interests of the publication of any annual Financial Statements of the Company, setting out the steps required to obtain a copy of those Financial Statements. If a Holder or holder of Beneficial Interests demands a copy of the

annual Financial Statements, the Company shall make same available to such Holder or holder of Beneficial Interests free of charge.

## **16 AUDIT COMMITTEE AND AUDITOR [S90,91 and 94]**

16.1 At each Annual General Meeting, the Company must elect an Audit committee comprising at least 3 (three) members, unless –

16.1.1 the Company is a subsidiary of another company that has an Audit committee; and

16.1.2 the audit committee of that other company will perform the functions required in terms of the Act on behalf of the Company.

16.2 Each member of the Audit committee must –

16.2.1 be a Director, who satisfies any applicable requirements prescribed by the Minister;

16.2.2 not be –

16.2.2.1 involved in the day-to-day management of the Company's business or have been so involved at any time during the previous financial year;

16.2.2.2 a Prescribed Officer, or full-time employee, of the Company or another Related or inter-related company, or have been such an Officer or employee at any time during the previous 3 (three) financial years; or

16.2.2.3 a material supplier or customer of the Company, such that a reasonable and informed third party would conclude in the circumstances that the integrity, impartiality or objectivity of that Director is compromised by that relationship; and

16.2.2.4 related to any Person who falls within the criteria in clauses 16.2.2.1 to 16.2.2.3.

16.3 In addition at least one third of the members of the Audit committee at any particular time must have academic qualifications, or experience, in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

16.4 The Board must appoint a person to fill any vacancy on the Audit committee within 40 (forty) Business Days after the vacancy arises.

16.5 The Audit committee has the duties as prescribed in the Act –

in relation to the Company, and if the Company is a member of a Group of Companies, any other company within that Group.

- 16.6 The Company must pay all expenses reasonably incurred by its Audit committee, including, if the Audit committee considers it appropriate, the fees of any consultant or specialist engaged by the Audit committee to assist it in the performance of its functions, subject to the Board's policy in this regard.
- 16.7 No Person shall be elected as a member of the Audit committee, if she/he is Ineligible or Disqualified and any such election shall be a nullity. A Person who is Ineligible or Disqualified must not consent to be elected as a member of the Audit committee nor act as a member of the Audit committee. A Person placed under probation by a court must not serve as a member of the Audit committee unless the order of court so permits.
- 16.8 A member of the Audit committee shall cease to hold office as such immediately she/he becomes Ineligible or Disqualified in terms of the Act.
- 16.9 There are no general qualifications prescribed by the Company for a Person to serve as a member of the Audit committee in addition to the requirements of the Act.
- 16.10 The Company shall appoint an Auditor at its Annual General Meeting provided that if an Annual General Meeting does not appoint or reappoint an Auditor, the Board must fill the vacancy in the office in terms of the procedure contemplated in section 91 of the Act within 40 (forty) Business Days after the date of the Annual General Meeting. A retiring Auditor may be automatically re-appointed at an Annual General Meeting without any resolution being passed, unless –
  - 16.10.1 the retiring Auditor is –
    - 16.10.1.1 no longer qualified for appointment;
    - 16.10.1.2 no longer willing to accept the appointment, and has so notified the company; or
    - 16.10.1.3 required to cease serving as auditor, in terms of section 92 of the Act;
  - 16.10.2 the Audit committee objects to the re-appointment; or
  - 16.10.3 the Company has notice of an intended resolution to appoint some other person or persons in place of the retiring Auditor.



16.11 Any firm of auditors appointed by the Company as the Auditor shall ensure that the Individual responsible for performing the Audit must comply with the requirements of section 90(2) of the Act, provided that –

16.11.1 the same Individual may not serve as the Auditor or designated Auditor for more than 5 (five) consecutive financial years;

16.11.2 if an Individual has served as the Auditor or designated auditor for 2 (two) or more consecutive financial years and then ceases to be the Auditor or designated auditor, the Individual may not be appointed again as the Auditor or designated auditor until after the expiry of at least 2 (two) further financial years.

16.12 The Auditor –

16.12.1 has the right of access at all times to the accounting records and all books and documents of the Company, and is entitled to require from the Directors or Prescribed Officers any information and explanations necessary for the performance of the Auditor's duties;

16.12.2 if the Company is a Holding Company, has the right of access to all current and former Financial Statements of any Subsidiary and is entitled to require from the Directors or Prescribed Officers of the Company or Subsidiary any information and explanations in connection with any such statements and in connection with the Accounting Records, books and documents of the Subsidiary as necessary for the performance of the Auditor's duties; and

16.12.3 is entitled to –

16.12.3.1 attend any Shareholders' Meeting;

16.12.3.2 receive all notices of and other communications relating to any Shareholders' Meeting; and

16.12.3.3 be heard at any Shareholders' Meeting on any part of the business of the meeting that concerns the Auditor's duties or functions.

16.12.4 may not perform any services for the Company –

16.12.4.1 that would place the Auditor in a conflict of interest as prescribed or determined by the Independent Regulatory Board for Auditors in terms of section 44(6) of the Auditing Profession Act; or

16.12.4.2 as may be prescribed by the Audit committee.

16.13 If a vacancy arises in the office of Auditor, the Board –

16.13.1 must appoint a new Auditor within 40 (forty) Business Days, if there was only 1 (one) incumbent Auditor; and

16.13.2 may appoint a new Auditor at any time, if there was more than 1 (one) incumbent, but while any such vacancy continues, the surviving or continuing Auditor may act as auditor of the Company.

16.14 If, by comparison with the membership of a firm at the time of its latest appointment, less than  $\frac{1}{2}$  (one half) of the members remain after a change in the composition of the members, that change constitutes the resignation of the firm as Auditor of the company, giving rise to a vacancy.

16.15 Before making an appointment in terms of clause 16.13 the Board –

16.15.1 must propose to the Audit committee, within 15 (fifteen) Business Days after the vacancy occurs, the name of at least 1 (one) Registered Auditor to be considered for appointment as the new Auditor; and

16.15.2 may proceed to make an appointment of a Person proposed in terms of clause 16.15.1. if, within 5 (five) Business Days after delivering the proposal, the Audit committee does not give notice in Writing to the Board rejecting the proposed auditor.

16.16 The provisions of clauses 34.4 and 34.5 apply *mutatis mutandis* to the auditor.

## **17 SHAREHOLDERS' MEETINGS [S61]**

17.1 The Board may call a Shareholders' Meeting at any time.

17.2 The Company shall convene an Annual General Meeting once in every calendar year, but no more than 15 (fifteen) months after the date of the previous Annual General Meeting, or within

an extended time allowed by the Companies Tribunal, on good cause shown, which must, at a minimum, provide for the following business to be transacted –

17.2.1 presentation of –

17.2.1.1 the Directors' report;

17.2.1.2 Audited Financial Statements for the immediately preceding financial year;

17.2.1.3 an Audit committee report;

17.2.1.4 the Social and Ethics Committee report,; and

17.2.1.5 the remuneration report

17.2.2 election of Directors, to the extent required by the Act or the MOI;

17.2.3 appointment of –

17.2.3.1 an Auditor for the ensuing year;

17.2.3.2 an Audit committee;

17.2.3.3 a Social and Ethics Committee;

17.2.4 any matters raised by Holders, with or without advance notice to the Company.

17.3 Save for resolutions which may be proposed as written resolutions as provided for in clause 22 below, all Shareholders Meetings that are convened in terms of the Listings Requirements must be held "in person" and may not be held by means of a written resolution as contemplated in section 60 of the Act. [LR10.11(c)]

17.4 Notwithstanding anything to the contrary contained herein, the Company shall not be prohibited nor restricted from convening a Shareholders Meeting where the resolution which is the subject of such Shareholders Meeting is required to be passed in order for the Company to adhere to the relevant Listings Requirements, provided that the proposal of any resolution in terms of sections 20(2) and 20(6) of the Act is prohibited in the event that such a resolution

would lead to the ratification of an act which is contrary to the Listing Requirements, unless otherwise agreed with the JSE. [LR10.11(d)] [LR10.3]

**17.5** A Company must hold a Shareholders' Meeting –

17.5.1 at any time that the Board is required by the Act, the MOI or the Listings Requirements to refer a matter to Holders entitled to vote for decision;

17.5.2 whenever required to fill a vacancy on the Board other than for a temporary appointment referred to in clause 08.

**17.6** Shareholder/s holding not less than 10% (ten per cent) of the Voting Rights attached to the ordinary Shares, or not less than 10% (ten per cent) of the ordinary Shareholders may demand to convene of a Shareholders' meeting, in accordance with the relevant provisions of the Act.

**17.7** The Board or, if the quorum for a board meeting cannot be obtained, any 2 (two) Directors or, if the Company has no Directors, any single Holder entitled to vote, may, whenever she/he/it thinks fit, may demand to convene a Shareholders' Meeting, in accordance with the relevant provisions of the Act.

**17.8** Every Shareholders' Meeting shall be held at such place as the Board determines from time to time. The authority of the Company to conduct a Shareholders' Meeting entirely by Electronic Communication, or to provide for participation in a Shareholders' Meeting by Electronic Communication so long as the Electronic Communication employed ordinarily enables all Persons participating in that Shareholders' Meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the Shareholders' Meeting, as set out in section 63(2) of the Act, is not limited or restricted.

**18 NOTICE OF SHAREHOLDERS MEETINGS [S62]**

**18.1** The Company must Deliver a notice of each Shareholders' Meeting in the prescribed manner and form to all Shareholders as of the record date at least -

18.1.1 15 (fifteen) Business Days in the case of a Special Resolution; and [LR10.11(a)]

18.1.2 15 (fifteen) Business Days in the case of an Ordinary Resolution. [LR10.11(b)]

**18.2** The notice periods referred to in clauses 18.1.1 and 18.1.2 above are not applicable where the Company adheres to section 62(2A) of the Act.

- 18.3 Notices of Annual General Meetings and Shareholders Meetings shall be Delivered to all Holders entitled to vote at such meeting and who have elected to receive such notice, and in accordance with the Act. [LR10.11(e)]
- 18.4 For as long as the Company's Shares remain listed on the JSE, Notices shall be:
- 18.4.1 sent to the JSE at the same time as notices are Delivered to Holders; and
  - 18.4.2 announced through SENS. [LR10.11(f)].
- 18.5 A notice of a Shareholders' Meeting must be in Writing, in plain language and must include –
- 18.5.1 the date, time and place for the Meeting, and the Record Date for the Meeting;
  - 18.5.2 the general purpose of the meeting, and any specific purpose if applicable;
  - 18.5.3 in the case of the Annual General Meeting a copy of the complete annual Financial Statements for the preceding financial year or a summarised version thereof, including directions for obtaining a complete set, unless it has distributed them previously;
  - 18.5.4 a copy of any proposed resolution of which the Company has received notice, and which is to be considered at the meeting, and a notice of the percentage of Voting Rights that will be required for that resolution to be adopted;
  - 18.5.4 a reasonably prominent statement –
    - 18.5.4.1 that a Holder entitled to attend and vote at the Shareholders' Meeting shall be entitled to appoint a proxy to attend, participate in, speak and vote at the Shareholders' Meeting in the place of that Holder;
    - 18.5.4.2 that a proxy need not be a Holder;
    - 18.5.4.3 that a Holder entitled to vote may not appoint more than 1 (one) proxy;
    - 18.5.4.4 that the proxy may not delegate the authority granted to her/him/it as proxy;
    - 18.5.4.5 that participants in a Shareholders' Meeting are required to furnish satisfactory identification in terms of section 63(1) of the Act in order to reasonably satisfy the Person presiding at the Shareholders' Meeting;
    - 18.5.4.6 of the availability to participate in the Shareholders' Meeting by Electronic Communication, and provide any necessary information to enable Holders entitled to vote or their proxies to access the available medium or means of

Electronic Communication and advise that access to the medium or means of Electronic Communication is at the expense of the Holder entitled to vote or proxy, except to the extent that the Company determines otherwise.

- 18.6 A Shareholders' Meeting may proceed notwithstanding a Material defect in the giving of the notice, subject to clause 0, only if every Person who is entitled to exercise Voting Rights in respect of each item on the agenda of the Shareholders' Meeting is present at the Shareholders' Meeting and votes to approve the ratification of the defective notice.
- 18.7 If a Material defect in the form or manner of giving notice of a Shareholders' Meeting relates only to one or more particular matters on the agenda for the Shareholders' Meeting –
- 18.7.1 any such matter may be severed from the agenda, and the notice remains valid with respect to any remaining matters on the agenda; and
- 18.7.2 the Shareholders' Meeting may proceed to consider a severed matter, if the defective notice in respect of that matter has been ratified.
- 18.8 An immaterial defect in the form or manner of Delivering notice of a Shareholders' Meeting, or an accidental or inadvertent failure in the Delivery of the notice to any particular Holder to whom it was addressed if the Company elects to do so, does not invalidate any action taken at the Shareholders' Meeting.
- 18.9 The Holder of any Securities which are in certificated form and thus not subject to the rules of Strate as the Central Securities Depository in which any Person has a Beneficial Interest must Deliver to each such Person –
- 18.9.1 a notice of any Shareholders' Meeting at which those Securities may be voted within 2 (two) Business Days after receiving such a notice from the Company; and
- 18.9.2 a proxy appointment to the extent of that Person's Beneficial Interest, if the Person so demands in compliance with section 56(11) of the Act.
- 18.10 A Holder entitled to vote, who is Present at a Shareholders' Meeting –
- 18.10.1 is regarded as having received or waived notice of the Shareholders' Meeting if at least the required minimum notice was given;
- 18.10.2 has a right to –
- 18.10.2.1 allege a Material defect in the form of notice for a particular item on the agenda for the Shareholders' Meeting; and

18.10.2.2 participate in the determination whether to waive the requirements for notice, if at least the required minimum notice was given, or to ratify a defective notice; and

18.10.3 except to the extent set out in clause 0, is regarded to have waived any right based on an actual or alleged Material defect in the notice of the Shareholders' Meeting.

## **19 QUORUM AND ADJOURNMENT OF SHAREHOLDERS MEETING [S64]**

- 19.1 Shareholders' Meeting business may be transacted at any Shareholders' Meeting only while a quorum is present.
- 19.2 The quorum shall be sufficient Persons present or represented by proxy to exercise, in aggregate, at least 25% (twenty-five per cent) of all of the Voting Rights that are entitled to be exercised in respect of at least one matter to be decided at the Shareholders' Meeting [LR10.11(g)] but the Shareholders' Meeting may not begin unless in addition at least 3 (three) Persons entitled to vote are Present. [S64(3)]
- 19.3 A matter to be decided at the Shareholders' Meeting may not be considered unless those who fulfilled the quorum requirements of clause 19.2, continue to be Present. If a resolution is proposed to meet the , notwithstanding that the Holders of Securities not listed on the JSE shall be entitled to be counted in the quorum as a matter of law, they shall not be taken into account for the purposes of determining whether or not the quorum requirements of the JSE have been attained.
- 19.4 If within 30 (thirty) minutes from the time appointed for the Shareholders' Meeting to commence, a quorum is not present, the Shareholders' Meeting shall be postponed, without motion, vote or further notice, subject to clause 19.8, for 1 (one) week to the same day in the next week or, if that day be a public holiday, to the next succeeding day which is not a public holiday, and if at such adjourned Shareholders' Meeting a quorum is not present within 30 (thirty) minutes from

the time appointed for the Shareholders' Meeting then, the Person/s entitled to vote Present shall be deemed to be the requisite quorum.

19.5 The adjourned or postponed meeting may only deal with the matters that were on the agenda of the meeting that was adjourned or postponed.

19.6 A Shareholders' Meeting, or the consideration of any matter being debated at the Shareholders' Meeting, may be adjourned from time to time without further notice on a motion supported by Persons entitled to exercise, in aggregate, a majority of the Voting Rights –

19.6.2 held by all of the Persons who are present at the Shareholders' Meeting at the time; and

19.6.3 that are entitled to be exercised on at least one matter remaining on the agenda of the Shareholders' Meeting, or on the matter under debate, as the case may be.

Such adjournment may be either to a fixed time and place or until further notice (in which latter case a further notice shall be Delivered to Holders), as agreed at the Shareholders' Meeting.

19.7 A Shareholders' Meeting may not be adjourned beyond a date that is –

19.7.2 120 (one hundred and twenty) Business Days after the Record Date; or

19.7.3 60 (sixty) Business Days after the date on which the adjournment occurred.

19.8 No further notice is required to be Delivered by the Company of a Shareholders' Meeting that is postponed or adjourned as contemplated in clause 19.6, unless the location for the Shareholders' Meeting is different from –

19.8.2 the location of the postponed or adjourned Shareholders' Meeting; or



19.8.3 a location announced at the time of adjournment, in the case of an adjourned Shareholders' Meeting.

19.9 The chairperson, if any, of the Board shall preside as chairperson at every Shareholders' Meeting. If there is no such chairperson, or if at any Shareholders' Meeting s/he is not present within 15 (fifteen) minutes after the time appointed for holding the Shareholders' Meeting or is unwilling to act as chairperson, the Persons entitled to vote which are Present shall select a Director present at the Shareholders' Meeting, or if no Director be present at the Shareholders' Meeting, or if all the Directors present decline to take the chair, the Persons entitled to vote shall select one of their number which is Present to be chairperson of the Shareholders' Meeting.

19.10 The chairperson shall, subject to the Act, this MOI and JSE Listing Requirements, determine the procedure to be followed at that meeting.

## **20 CONDUCT OF SHAREHOLDERS MEETINGS AND RESOLUTIONS [S63 AND S65]**

20.1 Each resolution shall be expressed with sufficient clarity and specificity and accompanied by sufficient information or explanatory material to enable a Person who is entitled to vote on the resolution to determine whether to participate in the Shareholders' Meeting and to seek to influence the outcome of the vote on the resolution.

20.2 Once a resolution has been approved, it may not be challenged or impugned on the ground that it did not comply with the foregoing.

20.3 Every resolution of Shareholders is either an Ordinary Resolution or a Special Resolution.

20.4 An Ordinary Resolution, save to the extent expressly provided in respect of a particular matter contemplated in this MOI, shall be adopted with the support of more than 50% (fifty per cent) of the Voting Rights exercised on the resolution.

20.5 A Special Resolution shall be adopted with the support of at least 75% (seventy-five per cent) of the Voting Rights exercised on the resolution. [LR10.11(a)]

20.6 At any Shareholders' Meeting a resolution put to the vote shall be decided in accordance with the provisions of the Act and Listings Requirements.

20.7 In the case of an equality of votes the chairperson of the Shareholders' Meeting shall not be entitled to a second or casting vote.

20.8 Any person entitled to a Share in terms of clause 13 (*Transmission of Securities by Operation of Law*) may vote at any Shareholders' Meeting in respect thereof in the same manner as if he were the Holder of that Security, provided that (except where the Board has previously accepted

her/his/its right to vote in respect of that Security) 24 (twenty four) hours at least before the time of holding the Shareholders' Meeting at which she/he/it proposes to vote, she/he/it shall have satisfied the Board that she/he/it is entitled to exercise the right referred to in clause 13 (*Transmission of Securities by Operation of Law*).

- 20.9 On a poll every Person entitled to vote who is Present at the Meeting or by proxy, shall have the number of votes determined in accordance with the Voting Rights associated with the Securities in question which, for clarity, shall be 1 (one) vote for every ordinary Share held. [LR10.5(b)]
- 20.10 The total Voting Rights of the Holders of all Securities other than ordinary Shares may never be more than 24,99% (twenty four comma nine nine per cent) of the total Voting Rights of all Persons entitled to vote at such a meeting provided further that such Securities shall not carry any special rights or privileges and they shall be entitled to 1 (one) vote for each Security held. [LR10.5(c)]
- 20.11 In the case of joint Holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register.
- 20.12 If any Shareholder abstains from voting some or all of his/her Shares in respect of any resolution, that Shareholder will, for the purposes of determining the number of votes exercised in respect of that resolution, be deemed not to have exercised his/her right to vote in respect of such Shares in relation to such resolution.

## **21 PROXIES [S58]**

- 21.1 A Shareholder may, at any time by Written proxy appointment, appoint any individual, including an individual who is not a Shareholder of the Company, as a proxy to:
- 21.1.1 participate in, and speak and vote at, a Shareholders meeting on behalf of the Shareholder; or
- 21.1.2 give or withhold written consent on behalf of the Shareholder to a Written resolution contemplated in clause 22 (*Written Resolutions by Shareholders*) hereof,
- and any such proxy appointment (and any invitation by the Company to appoint a proxy and any form supplied by the Company for the appointment of a proxy) shall be governed by section 58 of the Act.
- 21.2 A proxy appointment:
- 21.2.1 must be in Writing, dated and signed by the Shareholder; and

- 21.2.2 shall be valid for 1 (one) year from the date when it was signed unless the proxy itself provides for a longer or shorter duration. The appointment is revocable at any time unless the proxy appointment expressly states otherwise, and may be revoked by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy, and to the Company. The appointment is suspended at any time and to the extent that the Holder entitled to vote chooses to act directly and in person in the exercise of any rights as a Holder entitled to vote.
- 21.3 The form appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be Delivered to the Company or any Person which it has identified in the notice of meeting as being a Person to whom proxies may be Delivered on behalf of the Company, before the proxy exercises any rights of the Holder entitled to vote at a Shareholders' Meeting.
- 21.4 A proxy shall not be entitled to exercise any rights of the Shareholder who appointed that proxy if the Shareholder is present at the meeting.
- 21.5 A vote given in accordance with the terms of a proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Securities in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its Registered Office before the commencement of the Shareholders' Meeting or adjourned Shareholders' Meeting at which the proxy is used.
- 21.6 Subject to the provisions of the Act, a form appointing a proxy may be in any usual or common form. The Company shall supply a generally standard form of proxy upon request by a Holder entitled to vote.
- 21.7 If a proxy is received duly signed but with no indication as to how the Person named therein should vote on any issue, the proxy may vote or abstain from voting as she/he/it sees fit.

## **22 WRITTEN RESOLUTIONS BY SHAREHOLDERS [S60]**

- 22.1 A resolution that could be voted on at a Shareholders meeting may instead be adopted by written vote of the Shareholders if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted Shareholders' meeting; provided always that the provisions of this clause shall not apply to any resolution required in terms of the Listings Requirements not to be adopted by Written vote of the Shareholders. Notwithstanding the foregoing, resolutions proposing:

22.1.1 a change of name

23.1.2 an odd-lot offer;

22.1.3 an increase in authorised share capital; and

22.1.4 approval of amendments to the MOI,

may be proposed as written resolutions [LR10.11(h)]

22.2 Unless the contrary is stated in the resolution, any such resolution shall be deemed to have been adopted on the date on which the Company received the written vote of the Shareholder or the proxy of the Shareholder whose vote resulted in the resolution being supported by sufficient votes for its adoption.

22.3 Within 10 (ten) business days after adopting a resolution in accordance with the procedures provided in this clause 23, the Company shall deliver a statement describing the results of the vote, consent process, or election to every Shareholder who was entitled to vote on or consent to the resolution.

## **23 RECORD DATE [S59]**

23.1 The Board may determine and publish a Record Date in accordance with the applicable rules of the Central Securities Depository, the Listing Requirements and the Act for the purposes envisaged therein. [LR10.15]

23.2 If, at any time, the Board fails to determine a Record Date, the Record Date for the relevant matter will be determined and published in accordance with the Listings Requirements and the Act.

## **24 COMPOSITION OF THE BOARD AND ELECTION OF DIRECTORS [S66]**

24.1 The minimum number of Directors shall be 4 (four) and the maximum 12 (twelve). [LR10.16(a)] Any failure by the Company at any time to have the minimum number of Directors, does not limit or negate the authority of the Board, or invalidate anything done by the Board or the Company.

24.2 Each of the Directors and the Alternate Directors, other than a Director filling a vacancy as contemplated in clause 08, shall be elected by ordinary resolution (which in the case of a vacancy arising shall take place at the next Annual General Meeting), in accordance with clause 24.6, provided that no Director shall be appointed in terms of a resolution passed in terms of section 60 of the Act. [LR1016(b)]

24.3 An Alternate Director shall serve in the place of 1 (one) or more Director/s named in the resolution electing her/him during the Director's/s' absence or inability to act as Director. If a Person is an

Alternate Director to more than 1 (one) Director or if an Alternate Director is also a Director, she/he shall have a separate vote, on behalf of each Director she/he is representing in addition to her/his own vote, if any.

- 24.4 There are no general qualifications prescribed by the Company for a Person to serve as a Director or an Alternate Director in addition to the requirements of the Act. The Board must make recommendations to the Holders regarding the eligibility of Persons nominated for election as Directors, taking into account their past performance and contribution, if applicable. A brief *curriculum vita* of each Person standing for election or re-election as a Director at a Meeting or the Annual General Meeting, must accompany the notice of the Meeting.
- 24.5 No Director shall be entitled to appoint any Person as an Alternate Director to himself/herself.
- 24.6 In any election of Directors and Alternate Directors, the election is to be conducted as follows –
- 24.6.1 a series of votes of those entitled to exercise votes regarding such election, each of which is on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the Board at that time have been filled; and
  - 24.6.2 in each vote to fill a vacancy –
  - 24.6.3 each Voting Right entitled to be exercised may be exercised once; and
  - 24.6.4 the vacancy is filled only if a majority of the Voting Rights exercised support the candidate. [S68(2)]
- 24.7 No Person shall be elected as a Director or Alternate Director, if she/he is Ineligible or Disqualified and any such election shall be a nullity. A Person who is Ineligible or Disqualified must not consent to be elected as a Director or Alternate Director nor act as a Director or Alternate Director. A Person placed under probation by a court must not serve as a Director or an Alternate Director unless the order of court so permits.
- 24.8 Any vacancy occurring on the Board may be filled by the Board, provided that the total number of the Directors shall not at any time exceed the maximum number fixed, if any, but the Individual so appointed shall cease to hold office at the termination of the first Annual General Meeting to be held after the appointment of such Individual as a Director unless she/he is elected at such Annual General Meeting. [S68(3), LR10.16(c)]
- 24.9 If the number of Directors falls below 4 (four), the remaining Directors must as soon as possible and in any event not later than 3 (three) months from the date that the number of Directors falls below 4 (four) fill the vacancies or call a Shareholders Meeting for the purpose of filling the vacancies. The failure to have 4 (four) Directors during the 3 (three) month period shall not limit

or negate the authority of the Board or invalidate anything done by the Board. After the expiry of the 3 (three) month period the remaining Directors shall only be permitted to act for the purpose of filling the vacancies or calling Shareholders Meetings. [S68(3), S70(3)(b)(i) and LR10.16(d)]

24.10 If there is no Director able and willing to act, then any Holder entitled to exercise Voting Rights in the election of a Director may convene a Shareholders' Meeting for the purpose of appointing Directors.

24.11 For so long as the Company is a listed company, the period to be allowed before the date of an Annual General Meeting or a Shareholders Meeting for the nomination of a new Director must be such as to give sufficient time after the receipt of the notice for nominations to reach the Company's office from any part of the South Africa.

24.12 Life directorships and directorships for an indefinite period are not permissible. LR10.16(k)

## **25 ROTATION OF DIRECTORS**

25.1 At the Annual General Meeting  $\frac{1}{3}$  (one third) of the non-executive Directors, or if their number is not a multiple of 3 (three), then the number nearest to, but not less than  $\frac{1}{3}$  (one third) shall retire from office, provided that in determining the number of Directors to retire no account shall be taken of any executive Director. [LR10.16(g)]

25.2 The Directors so to retire at each Annual General Meeting shall be those who have been longest in office since their last election. As between Directors of equal seniority, the Directors to retire shall, in the absence of agreement, be selected from among them by lot, provided that notwithstanding anything herein contained, if, at the date of any Annual General Meeting any Director will have held office for a period of 3 (three) years since her/his last election or appointment she/he shall retire at such Meeting, either as one of the Directors to retire in pursuance of the foregoing or additionally thereto. [LR10.16(g)]

25.3 A retiring Director shall act as a Director throughout the Meeting at which she/he retires.

25.4 The length of time a Director has been in office shall be computed from the date of her/his last election.

25.5 Retiring Directors shall be eligible for re-election.

25.6 The Directors, through the appropriate committee having considered the eligibility and performance of retiring Directors and the qualification of proposed Directors shall make recommendations to the Shareholders in regard to the election or re-election of nominated Directors, provided that any Shareholder will have the right to nominate Directors for election and provided further that sufficient time is given prior to the Shareholders' meeting to allow for

additional nominations to be given to the company secretary in Writing by Shareholders qualified to be present and vote at the meeting and to be accompanied by Written notice signed by the person proposed of his willingness to be elected. [LR10.16(g)]

## **26 CESSATION OF OFFICE AS DIRECTOR OR ALTERNATE DIRECTOR**

A Director or Alternate Director shall cease to hold office as such –

- 26.1 immediately when she/he becomes Ineligible or Disqualified or the Board resolves to remove her/him on such basis, and in the latter case the Director / Alternate Director has not within the permitted period filed an application for review or has filed such an application but the court has not yet confirmed the removal (during which period she/he shall be suspended);
- 26.2 when her/his term of office expires;
- 26.3 when she/he dies;
- 26.4 when she/he resigns by Written notice to the Company;
- 26.5 if there are 4 (four) or more Directors in office and if the Board determines that a Director has become incapacitated to the extent that the person is unable to perform the functions of a director, and is unlikely to regain that capacity within a reasonable time, and the Director / Alternate Director has not within the permitted period filed an application for review or has filed such an application but the court has not yet confirmed the removal (during which period she/he shall be suspended);
- 26.6 if she/he is declared delinquent by a court, or placed on probation under conditions that are inconsistent with continuing to be a director of the company;
- 26.7 if she/he is removed by Ordinary Resolution;
- 26.8 if there are 4 (four) or more Directors in office and if she/he is removed by resolution of the Board for being negligent or derelict in performing the functions of a Director, and the Director / Alternate Director has not within the permitted period filed an application for review or has filed such an application but the court has not yet confirmed the removal (during which period she/he shall be suspended);
- 26.9 she/he/it files a petition for the surrender of her/his/its estate or an application for an administration order, or if she/he/it commits an act of insolvency as defined in the insolvency law for the time being in force, or if she/he/it makes any arrangement or composition with her/his/its creditors generally;

26.10 she/he absents himself of 2 (two) consecutive meetings of Directors without the leave of the Board, and the Board resolves that her/his office shall be vacated, provided that this clause 26.10 shall not apply to a Director who is represented by an alternate Director who does not so absent her/him; or

26.11 she/he is otherwise removed in accordance with any provisions of this MOI;

26.12 if the majority of the board resolves that he/she be removed;

26.13 in the case of an executive director, if he/she is no longer employed by the company.

## **27 REMUNERATION OF DIRECTORS AND ALTERNATE DIRECTORS AND MEMBERS OF BOARD COMMITTEES [S66]**

27.1 The Directors or Alternate Directors or members of Board committees shall be entitled to such remuneration for their services as Directors or Alternate Directors or members of Board Committees as may have been determined from time to time by Special Resolution within the previous 2 (two) years. In addition, the Directors and Alternate Directors shall be entitled to all reasonable expenses in travelling (including hotels) to and from meetings of the Directors and Holders, and the members of the Board committees shall be entitled to all reasonable expenses in travelling (including hotels) to and from meetings of the members of the Board committees. If any director is required to perform extra services, to reside abroad or be specifically occupied about the Company's business, he/she may be entitled to receive such remuneration as determined by a disinterested quorum of Directors. [LR10.16(f)] The foregoing provision does not apply to executive directors and accordingly the Company may pay or grant any type of remuneration contemplated in sections 30(6)(b) to (g) of the Act to any executive Directors.

27.2 A Director may be employed in any other capacity in the Company or as a director or employee of a company controlled by, or itself a subsidiary of, the Company and in that event, his/her appointment and remuneration in respect of such other office must be determined by a disinterested quorum of Directors. [LR10.16(e)]

## **28 FINANCIAL ASSISTANCE FOR DIRECTORS AND PRESCRIBED OFFICERS AND THEIR RELATED AND INTER-RELATED PARTIES [S45]**

28.1 The Board's powers to provide direct or indirect financial assistance as contemplated in section 45(2) of the Act are not limited in any manner.

28.2 If the Board adopts a resolution as contemplated in section 45(2) of the Act regarding financial assistance to the Directors / Prescribed Officers and others contemplated in that section, the



Company shall provide Written notice of that resolution to all Shareholders and to any trade union representing its employees –

28.2.1 within 10 (ten) Business Days after the Board adopts the resolution, if the total value of all loans, debts, obligations or assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds 1/10<sup>th</sup> (one tenth) of 1% (one per cent) of the Company's net worth at the time of the resolution; or

28.2.2 within 30 (thirty) Business Days after the end of the financial year, in any other case.

28.3 Notwithstanding any implication in this MOI to the contrary, the Board may not authorise any financial assistance by the Company in connection with the subscription for or purchase of its Securities or those of a related or inter-related company without complying with section 44(3).

## **29 GENERAL POWERS AND DUTIES OF DIRECTORS**

29.1 Subject to any provision of the Act, the Listings Requirements and this MOI to the contrary, the powers of management, including borrowing powers, granted to the Directors in terms of section 66(1) of the Act are not limited.

29.2 The Directors may –

29.2.1 establish and maintain any non-contributory or contributory pension, superannuation, provident and benefit funds for the benefit of; and

29.2.2 give pensions, gratuities and allowances to and make payments for or towards the insurance of,

any persons who are employees or ex-employees (including Directors or ex-Directors) of the Company, or of any company which is or was a subsidiary of the Company or is or was in any way allied to or associated with it or any such subsidiary, and the wives, widows, families and dependants of such persons.

29.3 The Board must appoint as Directors a chief executive and an executive chief financial officer ("executive directors"). The Board may from time to time appoint one or more executive Directors for such fixed period (not exceeding 5 (five) years) or with no fixed period but subject to reasonable notice of termination, at such remuneration (whether by way of salary or commission, or participation in profits or partly in one way and partly in another) and generally on such terms they may think fit, and it may be made a term of her/his appointment that she/he be paid a pension, gratuity or other benefit on her/his retirement from office. [S66(4)(a)(ii)]

29.4 The Board may from time to time entrust to and confer upon an executive Director for the time being such of the powers vested in the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and upon such terms and with such restrictions as they may think expedient; and they may confer such powers either collaterally or to the exclusion of, and in substitution for, all or any of the powers of the Directors, and may from time to time revoke or vary all or any of such powers. An executive Director upon whom powers have been conferred pursuant to the provisions hereof shall not be regarded as an agent or delegate of the Directors and after powers have been conferred upon her/him by the Board in terms hereof she/he shall be deemed to derive such powers directly from this clause.

### **30 BOARD COMMITTEES [S72]**

30.1 The Directors may appoint any number of Board committees and delegate to such committees any authority of the Board.

30.2 The Directors must appoint a remuneration committee.

30.3 The members of any such committees (other than the nominations committee which shall have as its members only non-executive Directors, the majority of whom must be independent (as defined in Listing Requirement 3.84(f)) and which must be chaired by the chairperson of the Board) may include Persons who are not Directors as long as they are not Ineligible or Disqualified to be Directors, and such Persons shall be able to vote.

30.4 The Directors shall appoint the following committees if and as required in terms of the Act and Regulations:

30.4.1 Social and Ethics Committee; and

30.4.2 Audit Committee.

30.5 The Directors are required to appoint such other committees as may be required in terms of the JSE Listings Requirements.

30.6 No Person shall be appointed as a member of a Board committee, if she/he is Ineligible or Disqualified and any such appointment shall be a nullity. A Person who is Ineligible or Disqualified must not consent to be appointed as a member of a Board committee nor act as such a member.

A Person placed under probation by a court must not serve as a member of a Board committee unless the order of court so permits.

30.7 There are no general qualifications prescribed by the Company for a Person to serve as a member of a Board committee in addition to the requirements of the Act.

30.8 A member of a Board committee shall cease to hold office as such immediately she/he becomes Ineligible or Disqualified in terms of the Act.

30.9 Committees of the Board may consult with or receive advice from any person, subject to the Board's policy in this regard.

30.10 The composition of such committees, a brief description of their mandates, the number of meetings held and other relevant information must be disclosed in the annual report of the Company.

### **31 PERSONAL FINANCIAL INTERESTS OF DIRECTORS AND OTHERS [S75]**

31.1 For the purposes of this clause 31 (*Personal Financial Interests of Directors*), "Director" includes an Alternate Director, a Prescribed Officer, and a person who is a member of a committee of the Board, irrespective of whether or not the Person is also a member of the Board.

31.2 If a Director has a Personal Financial Interest in respect of a matter to be considered at a meeting of the Board, or Knows that a Related Person has a Personal Financial Interest in the matter, the Director -

31.2.1 must disclose the Personal Financial Interest and its general nature before the matter is considered at the meeting;

31.2.2 must disclose to the meeting any Material information relating to the matter, and Known to the Director;

31.2.3 may disclose any observations or pertinent insights relating to the matter if requested to do so by the other Directors;

31.2.4 if present at the meeting, must leave the meeting immediately after making any disclosure contemplated in clauses 31.2.2 or 31.2.3;

31.2.5 must not take part in the consideration of the matter, except to the extent contemplated in clauses 31.2.2 or 31.2.3;

31.2.6 while absent from the meeting in terms of this clause 31.2 –

31.2.6.1 is to be regarded as being present at the meeting for the purpose of determining whether sufficient Directors are present to constitute a quorum; and

32.2.6.2 is not to be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted; and

32.2.7 must not execute any document on behalf of the Company in relation to the matter unless specifically requested or directed to do so by the Board.

31.3 If a Director acquires a Personal Financial Interest in an agreement or other matter in which the Company has a Material interest, or Knows that a Related Person has acquired a Personal Financial Interest in the matter, after the agreement or other matter has been approved by the Company, the Director must promptly disclose to the Board, or to the Holders entitled to vote, the nature and extent of that Personal Financial Interest, and the Material circumstances relating to the Director or Related Person's acquisition of that Personal Financial Interest.

31.4 A decision by the Board, or a transaction or agreement approved by the Board, or by the Holders, is valid despite any Personal Financial Interest of a Director or Person Related to the Director, only if –

31.4.1 it was approved following the disclosure of the Personal Financial Interest in the manner contemplated in this clause 31 (*Personal Financial Interests of Directors*); or

31.4.2 despite having been approved without disclosure of that Personal Financial Interest, it has been ratified by an Ordinary Resolution following disclosure of that Personal Financial Interest or so declared by a court.

## **32 PROCEEDINGS OF DIRECTORS [S73]**

32.1 A Director authorised by the Board –

32.1.1 may, at any time, summon a meeting of the Directors; and

32.1.2 must call a meeting of the Directors if required to do so by at least 2 (two) Directors.

- 32.2 The Directors may determine what period of notice shall be given of meetings of Directors and may determine the means of giving such notice which may include telephone, telefax or Electronic Communication.
- 32.3 If all of the Directors –
- 32.3.1 acknowledge actual receipt of the notice;
  - 32.3.2 are present at a meeting of the Directors; or
  - 32.3.3 waive notice of the meeting,
- the meeting may proceed even if the Company failed to give the required notice of that meeting, or there was a defect in the giving of the notice.
- 32.4 The Directors may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 32.5 A meeting of Directors may be conducted by Electronic Communication and/or one or more Directors may participate in a meeting of Directors by Electronic Communication so long as the Electronic Communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.
- 32.6 The quorum for a Directors' meeting shall be a majority of the Directors in office at the time.
- 32.7 The Directors may elect a chairperson of their meetings and determine the period for which she/he is to hold office; but if no such chairperson is elected, or if at any meeting the chairperson is not present within 15 (fifteen) minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairperson of the meeting. [LR10.16(i)]
- 32.8 Each Director has 1 (one) vote on a matter before the Board and a majority of the votes cast on a resolution is sufficient to approve that resolution.
- 32.9 In the case of a tied vote the chairperson may not cast a deciding vote even if the chairperson did not initially have or cast a vote and the motion being voted on shall fail.
- 32.10 The Company must keep minutes of the meetings of the Board, and any of its committees, and include in the minutes –
- 32.10.1 any declaration given by notice or made by a director as required by clause 31 (*Personal Financial Interests of Directors*);

32.10.2 every resolution adopted by the Board.

32.11 Resolutions adopted by the Board –

32.11.1 must be dated and sequentially numbered; and

32.11.2 are effective as of the date of the resolution, unless the resolution states otherwise.

32.12 Any minutes of a meeting, or a resolution, signed by the chair of the meeting, or by the chair of the next meeting of the Board, are/is evidence of the proceedings of that meeting, or adoption of that resolution, as the case may be.

32.13 A round robin resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted, provided that each Director has received notice of the matter to be decided upon together with any disclosure required in terms of clause 31 (Personal Financial Interests of Directors and Others). [LR10.16(j)]

32.14 For the purposes hereof a round robin resolution means a resolution passed other than at a meeting of Directors, adopted in Writing by a majority of Directors, provided that each Director has received notice of the matter to be decided. A round robin resolution may be executed in any number of counterparts and will have the same effect as if the signatures on the counterparts were on a single copy of the round robin resolution.

32.15 A round robin resolution shall be deemed to have been passed on the date on which it was signed by the last director who signed it, unless a statement to the contrary is made in the resolution. [LR10.16(j)]

### 33 **PRESCRIBED OFFICERS [S66]**

33.1 No Person shall hold office as a Prescribed Officer, if she/he is Ineligible or Disqualified. A Person who is Ineligible or Disqualified must not consent to be appointed to an office or undertake any functions which would result in her/him being a Prescribed Officer nor act in such office nor undertake any such functions. A Person placed under probation by a court must not consent to be appointed to an office or undertake any functions which would result in her/him being a

Prescribed Officer nor act in such office nor undertake any such functions unless the order of court so permits.

33.2 A Prescribed Officer shall cease to hold office as such immediately she/he becomes Ineligible or Disqualified in terms of the Act.

#### **34 COMPANY SECRETARY [S86-89]**

34.1 The Directors must appoint the secretary from time to time , who –

34.1.1 shall be a permanent resident of South Africa and remain so while serving as secretary; [S86(2)(b)]; and

34.1.2 shall have the requisite knowledge of, or experience in, relevant laws; and

34.1.3 may be a juristic Person subject to the following –

34.1.3.1 every employee of that juristic person who provides company secretary services, or partner and employee of that partnership, as the case may be, is not Ineligible or Disqualified;;

34.1.3.2 at least 1 (one) employee of that juristic person, or one partner or employee of that partnership, as the case may be, satisfies the requirements in clauses 34.1.1 and 34.1.2;

34.2 Within 60 (sixty) Business Days after a vacancy arises in the office of company secretary, the Board must fill the vacancy by appointing a Person whom the Directors consider to have the requisite knowledge and experience. [S86(4)] A change in the membership of a juristic person or partnership that holds office as company secretary does not constitute a vacancy in the office of company secretary, if the juristic person or partnership continues to satisfy the requirements of clause 0.

34.3 If at any time a juristic person or partnership holds office as company secretary of the Company –

34.3.1 the juristic person or partnership must immediately notify the Directors if the juristic person or partnership no longer satisfies the requirements of clause 0, and is regarded to have resigned as company secretary upon giving that notice to the Company;

34.3.2 the Company is entitled to assume that the juristic person or partnership satisfies the requirements of clause 0, until the Company has received a notice contemplated in clause 0; and

34.3.3 any action taken by the juristic person or partnership in performance of its functions as company secretary is not invalidated merely because the juristic person or partnership had ceased to satisfy the requirements of clause 0 at the time of that action. [S87(3)]

34.4 The company secretary may resign from office by giving the Company at least 1 (one) month's Written notice, unless the terms of an employment agreement requires a longer period or less than that with the prior Written approval of the Board.

34.5 If the company secretary is removed from office by the Board, the company secretary may, by giving Written notice to that effect to the Company by not later than the end of the financial year in which the removal took place, require the Company to include a statement in its annual Financial Statements relating to that financial year, not exceeding a reasonable length, setting out the company secretary's contention as to the circumstances that resulted in the removal. The Company must include this statement in the Directors' report in its annual Financial Statements. [S89(2)-(4)]

## **35 DISTRIBUTIONS [S46]**

35.1 Dividends are declared by the directors in accordance with the Act. [LRS10.17(a)]

35.2 Dividends are to be payable to Shareholders registered as at a date subsequent to the date of declaration or date of confirmation of the dividend, whichever is the later. [LR10.17(b)]

35.3 All unclaimed monies including but not limited to cash dividends due to Holders shall be held by the Company in trust until lawfully claimed by the Holder, subject to the laws of prescription. [LR10.17(c)]

35.4 The grant of the right of election in respect of scrip and cash dividends, and odd-lot offers is not prohibited.

35.5 Payments to Holders must be made in accordance with the Listings Requirements and capital shall not be repaid to Holders upon the basis that it may be called up again. [LR10.8]

35.6 Any dividend or other moneys payable in respect of a share may be paid by any:

35.6.1 direct debit, bank or other funds transfer system to the Holder or person entitled to payment or, if applicable, to a person designated by notice to the Company by the Holder or person entitled to payment; or

35.6.2 other method approved by the Board and agreed (in such from as the Company thinks appropriate) by the Holder or person entitled to payment including without limitation in



respect of an uncertificated share by means of the relevant system (subject to the facilities and requirements of the relevant system).

35.7 Any unclaimed dividends or Distributions shall be suppressed and be retained in the Company's unclaimed dividend account until lawfully claimed by a Holder upon Written request.

35.8 When such EFT is paid it shall discharge the Company of any further liability in respect of the amount concerned. The risk of loss, whether as a result of fraud or otherwise, relating to the making of a dividend, Distribution or cash payment shall be that of the Holder, unless the loss is attributable to negligence on the part of the Company.

35.9 The Company shall be entitled at any time to delegate its obligations in respect of unclaimed dividends or other unclaimed Distributions, to any one of the Company's bankers and/or transfer secretaries from time to time.

## **36 LOSS OF DOCUMENTS**

The Company shall not be responsible for the loss in transmission of any certificate or (without any limitation *eiusdem generis*) other document Delivered either to the registered address of any Holder or to any other address requested by the Holder.

## **37 NOTICES**

37.1 All notices shall be Delivered by the Company to each Holder, and simultaneously sent to the JSE, in the manner prescribed by the Listings Requirements and the Regulations, particularly Table CR3 to the Regulations and announced through SENS. [LRS10.11(f)]

37.2 Each Holder :

37.2.1 shall notify the Company in Writing of an address, which address shall be their registered address for the purposes of receiving notices and other documentation from the Company and, if they have not named such an address, they shall be deemed to have waived their right to receive any notices and other documentation until such time as they provide an address [LR10.18]. Any Shareholder whose address in the Securities Register is an address not within the Republic of South Africa shall be entitled to have notices delivered to them at such address; and

37.2.2 accepts and acknowledges, pursuant to the provisions of the Act, that when the Company is required to publish, provide or Deliver any document, record, statement to the Holder, it may do so by:

- 37.2.2.1 providing or publishing an electronic original or reproduction of that document, record or statement by Electronic Communication in a manner and form such that the document, record or statement can be conveniently be printed by the recipient within reasonable time at a reasonable cost; or
  - 37.2.2.2 Delivering a notice of the availability of that document, record or statement, summarising its content and satisfying any prescribed requirements, to each intended recipient together with instructions for receiving the complete document, record or statement;
- 37.2.3 if the address provided to the Company is an Electronic Address (including e-mail and facsimile), shall be deemed to have agreed to receiving by Electronic Communication, notices and other documents, including notices of availability, from the Company at such Electronic Address and the Company may satisfy its obligation to Deliver any notice or other document by:
- 37.2.3.1 publishing such notice or other document on a website; and
  - 37.2.3.2 notifying the Holder by Electronic Communication to the Electronic Address provided that such notice or other document has been so published, specifying the details of the website on which it is published, where on the website it can be accessed, how it can be accessed and if the notice relates to a Shareholders Meeting, stating:
    - 37.2.3.2.1 that the notice concerns a notice of Shareholders Meeting served in accordance with the Act;
    - 37.2.3.2.2 the place, date and time of the Shareholders Meeting;
    - 37.2.3.2.3 the type, annual or general, of meeting; and
    - 37.2.3.2.4 such other information as the Act may prescribe.
- 37.3 The Company may give notices, documents, records or statements or notices of availability of the foregoing by personal delivery to the Holder or holder of Beneficial Interests or by sending them prepaid through the post or by transmitting them by telegram, telex or fax or by way of Electronic Communication subject to clause 37.4.
- 37.4 Any Holder or holder of Beneficial Interests who/which has furnished an Electronic Address (including e-mail and facsimile) to the Company, by doing so –

- 37.4.1 authorises the Company to use Electronic Communication to give notices, documents, records or statements or notices of availability of the foregoing to her/him/it; and
- 37.4.2 confirms that same can conveniently be printed by the Holder / holder of the Beneficial Interests within a reasonable time and at a reasonable cost.
- 37.5 Any notice, document, record, statement or notice of availability of the foregoing sent by any means permitted in the Act or Table CR3 annexed to the Regulations shall be deemed to have been delivered as provided for in the method of delivery of said Table CR3.
- 37.6 Every person, who by operation of law, transfer or other means becomes entitled to Securities shall be bound by every notice in respect of those Securities which was Delivered to the Person who was, at the date on which that notice was given, entered in the Securities Register as the Holder. The Company shall not be bound to enter any Person in the Securities Register as entitled to any Securities until the transfer of the Securities has been registered and that Person has provided the Company with an address for entry in the Securities Register.
- 37.7 Any notice or document Delivered to the registered address of any Holder shall, notwithstanding that such Holder was then deceased, and whether or not the Company has notice of their death, be deemed to have been duly Delivered in respect of any Securities held them until another Person is registered in their stead as the Holder, and such delivery shall be deemed sufficient delivery of such notice or document on their heirs, executors and administrators.
- 37.8 If joint Holders are registered in respect of any Securities or if more than 1 (one) Person is entitled to Securities, all notices shall be given to the Person named first in the Register in respect of the Securities, and notice so Delivered shall be deemed sufficient notice to all the Holders of or Persons entitled to or otherwise interested in the Securities.

## **38 INDEMNITY [S78]**

- 38.1 For the purposes of this clause 38 (*Indemnity*), "Director" includes a former Director, an Alternate Director, a Prescribed Officer, a person who is a member of a committee of the Board, irrespective of whether or not the person is also a member of the Board and a member of the Audit committee.
- 38.2 The Company may –
- 38.2.1 not directly or indirectly pay any fine that may be imposed on a Director, or on a Director of a related company, as a consequence of that Director having been convicted of an offence in terms of any national legislation unless the conviction was based on strict liability; [S78(3)]

38.2.2 advance expenses to a Director to defend litigation in any proceedings arising out of the Director's service to the Company; and [S78(4)(a)]

38.2.3 directly or indirectly indemnify a Director for –

38.2.3.1 any liability, other than in respect of – [S78(5) & (6)]

38.2.3.1.1 any liability arising in terms of section 77(3)(a), (b) or (c) of the Act or from wilful misconduct or wilful breach of trust on the part of the Director; or

38.2.3.1.2 any fine contemplated in clause 38.2.1;

38.2.3.2 any expenses contemplated in clause 38.2.2, irrespective of whether it has advanced those expenses, if the proceedings –[S78(4)]

38.2.3.2.1 are abandoned or exculpate the Director; or

38.2.3.2.2 arise in respect of any other liability for which the Company may indemnify the Director in terms of clause 38.2.3.1.

38.3 The Company may purchase insurance to protect – [S78(7)]

38.3.1 a Director against any liability or expenses contemplated in clause 38.2.2 or 38.2.3; or

38.3.2 the Company against any contingency including but not limited to –

38.3.2.1 any expenses –

38.3.2.1.1 that the Company is permitted to advance in accordance with clause 38.2.2; or

38.3.2.1.2 for which the Company is permitted to indemnify a Director in accordance with clause 38.2.3.2; or

38.3.2.2 any liability for which the Company is permitted to indemnify a Director in accordance with clause 38.2.3.1.

38.4 The Company is entitled to claim restitution from a Director or Director of a related company for any money paid directly or indirectly by the Company to or on behalf of that Director in any manner inconsistent with section 78 of the Act. [S78(8)]

## **39 REPURCHASES OF SECURITIES [S48]**

Repurchases of the Company's Securities, as provided for in terms of section 48 of the Act and the Listing Requirements, are authorised to be effected. [LR10.9 (b)]

#### **40 REGISTER OF DISCLOSURES AND NOTIFICATION [S56 and S122]**

The Company must:

- 40.1 establish and maintain a register of the disclosures made in terms of section 56(7) of the Act;
- 40.2 publish in its annual Financial Statements a list of the Persons who hold Beneficial Interests equal to or in excess of 5% (five per cent) of the total number of Securities of that class issued by the Company, together with the extent of those Beneficial Interests;
- 40.3 file a copy of a notification in respect of the acquisition of any Beneficial Interest constituting 5% (five per cent) or a multiple thereof of the issued Securities of that class or disposal so that the Person no longer holds a multiple of 5% (five per cent) of the issued Securities of that class, with the Panel;
- 40.4 report the information to the Holders of the relevant class of Securities in respect of which the Company has received a notification of the type referred to in clause 40.3 unless it relates to the disposal of any Beneficial Interest of less than 1% (one per cent) of the class; and
- 40.5 within 48 (forty eight) hours after receiving a notification in respect of the acquisition of any Beneficial Interest publish the information on SENS.

#### **41 CORPORATE ACTIONS [LR10.9]**

The following corporate actions may be undertaken by the Company and if undertaken the Company must do so in accordance with the Act and the Listings Requirements –

- 41.1 an issue of Shares for cash and options and convertible Securities granted or issued for cash;
- 41.2 a repurchase of Securities, including pursuant to an odd lot offer; and
- 41.3 alteration of Share capital, authorised Shares and rights attaching to a class/es of Shares.

#### **42 ODD-LOT**

- 42.1 The Company may make and implement Odd-lot Offers in accordance with the JSE Listings Requirements or as otherwise permitted by the JSE.
- 42.2 If –
  - 42.2.1 the Company makes an Odd-lot Offer in accordance with the JSE Listings

Requirements or as otherwise permitted by the JSE; and

42.2.2 Shareholders who –

42.2.2.1 hold less than 100 Securities (or less than such other number of Securities (“**other number**”) as may on request by the Company be permitted by the JSE in respect of that odd-lot offer) in the Company; or

42.2.2.2 on behalf of a person who owns a beneficial interest in Securities in the Company, hold less than 100 Securities (or less than the other number, as the case may be),

each being an “Odd-lot”, and who qualify to participate in that Odd-lot Offer, do not elect any of the election alternatives in accordance with the terms of the Odd-lot Offer, such Shareholders shall be deemed to have agreed to sell their Odd-lots, and the Company shall be entitled (on implementation of that Odd-lot Offer) to cause the Odd-lots to be sold on behalf of such Shareholders on such basis as the Board may determine; provided that the Company shall account to such Shareholders for the proceeds attributable to them pursuant to the sale of such Odd-lots, subject to clause 35.3 of the Company’s MOI.”

#### **43 FRACTIONS OF SHARES AND OTHER SECURITIES**

To the extent that a fractional entitlement arises, such fractional entitlement will be dealt with in accordance with the provisions of the Listings Requirements.

**Schedule 1 – Prescribed methods of delivery in the Regulations**

Person to whom the document is to be delivered	Method of delivery	Date and Time of Deemed delivery
Any Person	<p>By faxing the notice or a certified copy of the document to the Person, if the Person has a fax number;</p> <p>By sending the notice or a copy of the document by electronic mail, if the Person has an Electronic Address;</p> <p>By sending the notice or a certified copy of the document by registered post to the Person's last known address;</p> <p>By any other means authorised by the High Court; or</p> <p>By any other method allowed for that Person in terms of the following rows of this Table.</p>	<p>On the date and at the time recorded by the fax receiver, unless there is conclusive evidence that it was delivered on a different date or at a different time.</p> <p>On the date and at the time recorded by the computer used by the Company, unless there is conclusive evidence that it was delivered on a different date or at a different time.</p> <p>On the 7th (seventh) day following the day on which the notice or document was posted as recorded by a post office, unless there is conclusive evidence that it was delivered on a different day.</p> <p>In accordance with the order of the High Court.</p> <p>As provided for that method of delivery.</p>
Any natural Person	<p>By handing the notice or a certified copy of the document to the Person, or to any representative authorised in writing to accept service on behalf of the Person;</p> <p>By leaving the notice or a certified copy of the document at the Person's place of residence or business with any other Person who is apparently at least 16 (sixteen) years old and in charge of the premises at the time;</p> <p>By leaving the notice or a certified copy of the document at the Person's place of employment with any Person who is apparently at least 16 (sixteen) years old and apparently in authority.</p>	<p>On the date and at the time recorded on a receipt for the delivery.</p> <p>On the date and at the time recorded on a receipt for the delivery.</p> <p>On the date and at the time recorded on a receipt for the delivery.</p>
A company or similar body corporate	<p>By handing the notice or a certified copy of the document to a responsible employee of the company or body corporate at its registered office or its principal place of business within South Africa;</p> <p>If there is no employee willing to accept service, by affixing the notice or a certified copy of the document to the</p>	<p>On the date and at the time recorded on a receipt for the delivery.</p> <p>On the date and at the time sworn to by affidavit of the Person who affixed the document, unless there is conclusive</p>

Person to whom the document is to be delivered	Method of delivery	Date and Time of Deemed delivery
	main door of the office or place of business.	evidence that the document was affixed on a different date or at a different time.
The state or a province	By handing the notice or a certified copy of the document to a responsible employee in any office of the State Attorney.	On the date and at the time recorded on a receipt for the delivery.
A municipality	By handing the notice or a certified copy of the document to the town clerk, assistant town clerk or any Person acting on behalf of that Person.	On the date and at the time recorded on a receipt for the delivery.
A trade union	<p>By handing the notice or a certified copy of the document to a responsible employee who is apparently in charge of the main office of the union.</p> <p>If there is no person willing to accept service, by affixing a certified copy of the notice or document to the main door of that office.</p>	<p>On the date and at the time recorded on a receipt for the delivery.</p> <p>On the date and at the time sworn to by affidavit of the Person who affixed the document, unless there is conclusive evidence that the document was affixed on a different date or at a different time.</p>
Employees of the Company	By fixing the notice or certified copy of the document, in a prominent place in the workplace where it can be easily read by employees.	On the date and at the time sworn to by affidavit of the Person who affixed the document, unless there is conclusive evidence that the document was affixed on a different date or at a different time.
A partnership, firm or association	<p>By handing the notice or a certified copy of the document to a Person who is apparently in charge of the premises and apparently at least 16 (sixteen) years of age, at the place of business of the partnership, firm or association;</p> <p>If the partnership, firm or association has no place of business, by handing the notice or a certified copy of the document to a partner, the owner of the firm, or the chairman or secretary of the managing or other controlling body of the association, as the case may be.</p>	<p>On the date and at the time recorded on a receipt for the delivery.</p> <p>On the date and at the time recorded on a receipt for the delivery.</p>