

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the one hundred and twenty fifth annual general meeting of shareholders of the Company will be held at the Corporate Office, Amanzimnyama Hill Road, Tongaat, KwaZulu-Natal on Tuesday 1 August 2017 at 09h00, to among other matters, consider and if deemed fit, to pass (with or without modification) the ordinary and special resolutions set out below.

The record date on which shareholders must be registered in the Company's securities register in order to attend, participate and vote at the annual general meeting is Friday, 21 July 2017.

## Order of business

1. To receive and consider the annual financial statements of the Company for the year ended 31 March 2017, such annual financial statements having been approved by the Board as required by Section 30(3)(c) of the Companies Act 2008 ("the Act"), including the reports of the directors, the Risk, SHE, Social and Ethics Committee, the Audit Committee and the auditors, which are presented to the shareholders in the integrated annual report.
2. As required by section 90(1) of the Act, and as recommended by the Audit Committee, to re-appoint Deloitte & Touche as external auditors for the 2017/2018 financial year (with Mr G Kruger as individual designated auditor).
3. To re-elect each of SM Beesley, F Jakoet and TN Mgoduso who retire by rotation in terms of article 61 of the memorandum of incorporation and who, being eligible, offer themselves for re-election. Motions for re-election will be moved individually. The Nomination Committee has assessed each of the retiring directors and the board unanimously recommends their re-election. Details of each of these retiring directors are set out on pages 62 to 63 of the integrated annual report
4. As required by section 94(2) of the Act, to elect the Audit and Compliance committee comprising of the following independent non-executive directors: J John (Chairman), SM Beesley, F Jakoet and RP Kupara. Details of each of these proposed committee members are set out on page 62 of the integrated annual report.
5. To consider and, if deemed fit, to pass, with or without modification, the following resolutions, subject to the approval of the JSE Limited (JSE):

### SPECIAL RESOLUTIONS:

To adopt special resolutions, each resolution must be supported by at least 75% of the total number of votes which the shareholders or their proxies exercise at the meeting.

### ORDINARY RESOLUTIONS:

Unless otherwise provided, to adopt ordinary resolutions, each resolution must be supported by more than 50% of the total number of votes which the shareholders or their proxies exercise at the meeting.

### Special Resolution Number 1

"Resolved as a special resolution that the Company hereby approves, as a general approval contemplated in the JSE Listings Requirements, the acquisition by:

- a. the Company of shares or debentures (securities) issued by it on such terms and conditions and in such amounts as the directors of the Company may deem fit; and
- b. any subsidiary of the Company of securities issued by the Company on such terms and conditions and in such amounts as the directors of any such subsidiary may deem fit;

provided that:

1. the aggregate number of ordinary shares acquired by the Company and its subsidiaries in any one financial year shall not exceed five percent of the ordinary shares in issue at the date on which this resolution is passed;
2. such general approval
  - 2.1 shall be valid only until the next annual general meeting of the Company or the expiry of a period of 15 months from the date of this resolution, whichever occurs first, or until varied or revoked prior thereto by special resolution at any shareholders' meeting of the Company; and
  - 2.2 is subject to compliance with the requirements of sections 46 and 48 of the Companies Act 2008.
3. such acquisitions may not be made at a price greater than ten percent above the weighted average of the market value for the securities on the JSE for the five business days immediately preceding the date on which the transaction for the acquisition is effected. The JSE will be consulted for a ruling if the Company's securities have not traded in such five business day period;
4. the acquisitions be effected through the order book operated by the JSE trading system;
5. the Company appoints, at any point in time, only one agent to effect any acquisition/s on the Company's behalf;
6. acquisitions will not be undertaken by the Company or its subsidiaries during a prohibited period, as defined by the JSE Listings Requirements;
7. when the Company and/or its subsidiaries have cumulatively repurchased three percent of the initial number (the number of that class of shares in issue at the time that this general approval is granted) of the relevant class of securities, and for each three percent in aggregate of the initial number of that class acquired thereafter, an announcement must be made giving the details required in terms of the JSE Listings Requirements, in respect of such acquisitions;
8. before entering the market to effect the general repurchase, the directors, having considered the effects of the repurchase of the maximum number of ordinary shares in terms of the foregoing general authority, will
  - 8.1 authorise the general repurchase;
  - 8.2 resolve that the Company has passed the solvency and liquidity test described in section 4 of the Act; and

8.3 resolve that they are satisfied that the Company's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes during the 12 month period referred to in section 4 of the Act;

9. this authority will be used if the directors consider that it is in the best interests of the Company and shareholders to effect any such acquisitions having regard to prevailing circumstances and the cash resources of the company at the relevant time."

The general information regarding the Company, referred to in paragraph 11.26(b) of the JSE Listings Requirements, is contained in the integrated annual report on the page references as follows:



- a. major shareholders: page 137;
- b. directors' responsibility statement: page 89;
- c. share capital: page 114.

There have been no material changes to this information since 31 March 2017. The company is not a party to any material litigation nor is it aware of any pending material litigation to which it may become a party.

The directors collectively and individually accept full responsibility for the accuracy of the information given in the integrated annual report and certify, that to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the above special resolution number 1 contains all the required information.

**Reason and Effect:**

In terms of the JSE Listings Requirements, a company may only make a general repurchase of securities if approved by shareholders in terms of a special resolution. The reason for special resolution number 1 is to provide a general authority for the Company and its subsidiaries to acquire shares issued by the Company in accordance with the provisions of the Act and the JSE Listings Requirements. If special resolution number 1 is passed, it will have the effect of authorising the Company or any of its subsidiaries to acquire any of the shares issued by the Company, which authority will last until the earlier of the next annual general meeting of the Company or the expiry of a period of 15 months from the date of special resolution number 1.

**Ordinary Resolution Number 1**

"Resolved as an ordinary resolution that the directors be and are hereby authorised and empowered to do all such things and sign all such documents and procure the doing of all such things and the signature of all such documents as may be necessary or incidental to give effect to the approval granted in terms of special resolution number 1."

**Ordinary Resolution Number 2**

"Resolved as an ordinary resolution that the unissued shares in the capital of the Company be and are hereby placed under the control of the directors of the Company who are hereby authorised to allot and issue such shares at their discretion, including for scrip dividend distribution or capital funding optimisation if appropriate, upon such terms and conditions as they may determine, subject to the proviso that the aggregate number of shares to be allotted and issued in terms of this resolution shall be limited to five percent representing 6 755 625 of the number of the Company's shares in issue at 1 August 2017 and subject to the provisions of the Companies Act and the JSE Listings Requirements."

**Ordinary Resolution Number 3**

"Resolved as an ordinary resolution that subject to the passing of ordinary resolution number 2 and the approval of a 75 percent majority of the votes cast by shareholders present in person or represented by proxy at the annual general meeting at which this resolution is proposed, and the JSE Listings Requirements, the directors of the Company be and are hereby authorised and empowered to allot and issue for cash, without restriction, all or any of the unissued shares in the capital of the Company placed under their control in terms of ordinary resolution number 2 as they in their discretion may deem fit (including for the reasons explained in ordinary resolution number 2), provided that:

- a. this authority shall not extend beyond 15 months from the date of this annual general meeting;
- b. a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one financial year, five percent or more of the number of ordinary shares of the Company's ordinary share capital in issue prior to such issues provided further that such issues shall not in any one financial year exceed five percent representing 6 755 625 shares of the Company's issued ordinary share capital; and
- c. in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted shall be ten percent of the weighted average traded price of the shares in question over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors. The JSE will be consulted for a ruling if the Company's securities have not traded in such 30 business day period.

**Special Resolution Number 2**

"Resolved as a special resolution that the directors be and are hereby granted the authority, subject to and as required in terms of the provisions of section 45 of the Companies Act 2008, as amended, to authorise the company to provide direct or indirect financial assistance (as defined in the Companies Act) that the directors may deem fit to any related or inter-related company or corporation of the company (as defined in the Companies Act), on the terms and conditions and for amounts that the directors may determine."

**Reason and Effect:**

The company acts, inter alia, as treasury manager to its subsidiary and associate companies providing financial assistance, including in the form of inter-company loans and the guaranteeing of their debts, as and when appropriate in the course of business.

The above special resolution number 2 (approved by shareholders for the first time in 2011) grants the directors the authority (in place for a period of two years from the date of its adoption) now required by the Companies Act to authorise the company to provide financial assistance for purposes of funding group activities. It does not authorise the provision of financial assistance to a director or prescribed officer of the company.

In order for this special resolution number 2 to be adopted, the support of at least 75% (seventy-five per cent) of the voting rights exercised on the resolution is required.

## Proposed Directors' Fees from 1 August 2017 to 2018 AGM

Type of fee	Existing Annual Fees		Proposed Annual Fees from August 2017 AGM to 2018 AGM	
	Annual Fixed/Retainer Fee	Attendance Fee Per Meeting	Annual Fixed/Retainer Fee	Attendance Fee Per Meeting
Tongaat Hulett Board:				
Chairman	779 784	103 970	830 469	110 728
Non-Executive Directors	220 794	29 439	235 146	31 352
Audit and Compliance Committee:				
Chairman	216 777	48 173	230 867	51 304
Non-Executive Directors	108 399	24 083	115 445	25 648
Remuneration Committee:				
Chairman	172 956	38 416	184 198	40 913
Non-Executive Directors	86 472	19 208	92 092	20 456
Risk, SHE, Social and Ethics Committee:				
Chairman	172 956	38 416	184 198	40 913
Non-Executive Directors	86 472	19 208	92 092	20 456

### Special Resolution Number 3

"Resolved as a special resolution that the remuneration, as set out in the table above, to be paid to directors for their service as directors of the Company for the ensuing year, as recommended by the Remuneration Committee and the Board, subject to approval by the shareholders at the annual general meeting, be and are hereby approved".

Any special committee meeting, if required, would earn the same fees as the Remuneration Committee or Risk, SHE, Social and Ethics Committee.

#### Reason and Effect:

Special resolution number 3 is proposed to comply with the provisions of sections 66(8) and (9) of the Act which provide that the company may pay remuneration to its directors for their service as directors by special resolution.

If special resolution number 3 is passed, the Company will be authorised to pay its directors the remuneration specified in the table above.

### Non-binding advisory vote on remuneration policy

"Resolved to endorse, through a non-binding advisory vote, the company's remuneration policy and its implementation as set out in the Remuneration report contained on pages 73 to 76 of this integrated annual report."

6. To transact such other business as may be transacted at a general meeting.

### Voting

Any shareholder who holds certificated ordinary shares in the company or who holds dematerialised ordinary shares in the company through a Central Securities Depository Participant (CSDP) and who has selected "own name" registration, may attend, speak and vote at the annual general meeting or may appoint any other person or persons (none of whom need be a shareholder) as a proxy or proxies, to attend, speak and vote at the annual general meeting in such shareholder's stead.

Should any shareholder who holds dematerialised ordinary shares in the company and has not selected "own name" registration, wish to attend, speak and vote at the annual general meeting, such

shareholder should timeously inform his CSDP or broker for the purposes of obtaining the necessary letter of representation from such shareholder's CSDP or broker to attend the annual general meeting or timeously provide such shareholder's CSDP or broker with such shareholder's voting instruction in order for the CSDP or broker to vote on such shareholder's behalf at the annual general meeting. A proxy form is enclosed for use by shareholders holding certificated ordinary shares in the company or dematerialised ordinary shares in the company through a CSDP and who have selected "own name" registration. Such proxy form, duly completed, should be forwarded to reach the transfer secretaries of the company by 15h00 on Friday 28 July 2017 for administrative purposes. Proxies to be delivered thereafter must be delivered by hand to the transfer secretaries on 1 August 2017 before the commencement of the annual general meeting, at the venue of the annual general meeting. The completion of a proxy form will not preclude a member from attending the meeting.

A proxy need not be a shareholder of the Company. In terms of section 63(1) of the Act, before any person may attend or participate in the annual general meeting, that person must present reasonable satisfactory identification to the chairman of the meeting, who must be reasonably satisfied that that person has the right to attend, participate in and vote at the meeting, either as a shareholder or as a proxy for a shareholder. Acceptable forms of identification include a valid identity document, passport or driver's license.

By order of the Board



**MAC Mahlari**

Company Secretary

Amanzimnyama  
Tongaat, KwaZulu-Natal

25 May 2017