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These are the articles of association of the company  
adopted by special resolution on

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Chairman

**REPUBLIC OF SOUTH AFRICA  
COMPANIES ACT, 1973**

**AECi**

**ARTICLES OF ASSOCIATION  
OF A COMPANY HAVING A SHARE CAPITAL  
NOT ADOPTING SCHEDULE 1**

(Section 60 (1) – Regulation 18)

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**NAME OF COMPANY****AECI LIMITED**

- (A) The articles of Table A or Table B contained in Schedule 1 to the Companies Act, 1973, as amended, shall not apply to the company.
- (B) The company's articles are:

**1.0 Interpretation**

**1.1** In the interpretation of the articles, and unless contrary to the context, words signifying the singular number shall include the plural and vice versa, and words importing persons shall include companies and corporations and words signifying the masculine shall include the feminine and words defined in the Act or in the memorandum and articles of association of the company shall have the meaning there assigned to them and the following words and expressions shall have the following meanings unless excluded by the subject or the context, namely:

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| <b>1.1.1</b>  | <b>“the Act”</b>                       | means the Companies Act, 1973;  |
| <b>1.1.2</b>  | <b>“article” or “the articles”</b>     | means one article or the articles of association of the company from time to time in force;   |
| <b>1.1.3</b>  | <b>“board”</b>                         | means the board of directors of the company from time to time;  |
| <b>1.1.4</b>  | <b>“capital” and “shares”</b>          | mean respectively the capital and shares from time to time of the company;  |
| <b>1.1.5</b>  | <b>“central securities depository”</b> | means a person who is licensed as a central securities depository under section 32 of the Securities Services Act;  |
| <b>1.1.6</b>  | <b>“certificated securities”</b>       | means certificated securities as defined in section 29 of the Securities Services Act;  |
| <b>1.1.7</b>  | <b>“company”</b>                       | means this company unless used generally and in such case includes a corporation;   |
| <b>1.1.8</b>  | <b>“CSDP”</b>                          | means a “participant” as defined in section 1 of the Securities Services Act;   |
| <b>1.1.9</b>  | <b>“debentures”</b>                    | means the debentures from time to time of the company;  |
| <b>1.1.10</b> | <b>“directors”</b>                     | means the directors for the time being of the company and the alternate directors appointed by them or, as the case may be, the directors assembled at a board meeting;   |
| <b>1.1.11</b> | <b>“Gazette”</b>                       | means the Government Gazette of the Republic of South Africa;   |
| <b>1.1.12</b> | <b>“general meeting”</b>               | means an annual general meeting or other general meeting, not being an annual general meeting, of the company duly constituted and any adjournment thereof;   |
| <b>1.1.13</b> | <b>“the JSE”</b>                       | means the JSE Securities Exchange South Africa;   |
| <b>1.1.14</b> | <b>“legal incapacity”</b>              | means death; insolvency; or judicial management or liquidation; or placing under curatorship by reason of insanity or prodigality; infancy or minority; or any other event which satisfies the directors that a member is deprived of his legal capacity to act and that it is vested in some other person; |
| <b>1.1.15</b> | <b>“member”</b>                        | means a registered holder of shares;  |
| <b>1.1.16</b> | <b>“month”</b>                         | means a calendar month;   |
| <b>1.1.17</b> | <b>“office”</b>                        | means the registered office for the time being of the company;  |
| <b>1.1.18</b> | <b>“power of attorney”</b>             | means the original power of attorney or a notarially certified copy thereof or a copy certified in a manner approved of by the directors;   |

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<b>1.1.19</b>	<b>“previously”</b>	means at any time prior to the adoption of these revised articles;
<b>1.1.20</b>	<b>“proxy”</b>	means a person duly appointed in accordance with the provisions of the articles to represent a member at any meeting or any adjournment thereof;
<b>1.1.21</b>	<b>“proxy form”</b>	means the written instrument appointing a person to represent a member at any specified meeting or any adjournment thereof in the form provided for in article 21.3;
<b>1.1.22</b>	<b>“record date”</b>	means the day on which members must be recorded in the register in order to qualify for a dividend or return of capital;
<b>1.1.23</b>	<b>“the register”</b>	means the register of the members kept at the office or at the office of the transfer secretaries and includes any sub-register kept by a CSDP and a branch or duplicate register;
<b>1.1.24</b>	<b>“registered address”</b>	means the member’s address recorded in the register;
<b>1.1.25</b>	<b>“Republic”</b>	means the Republic of South Africa;
<b>1.1.26</b>	<b>“secretary”</b>	means the secretary of the company for the time being or any person duly authorised thereto by the directors acting in place of such secretary for the time being or any person appointed by the directors to perform any of the duties of the secretary, or any person duly authorised to represent a juristic person which is the secretary of the company;
<b>1.1.27</b>	<b>“Securities Services Act”</b>	means the Securities Services Act 36 of 2004;
<b>1.1.28</b>	<b>“shares”</b>	means the shares from time to time in the company;
<b>1.1.29</b>	<b>“sign” and “signature”</b>	include respectively, autography, lithography, or by a mechanical or electronic process;
<b>1.1.30</b>	<b>“sub-register”</b>	means the record of uncertificated securities administered and maintained by a CSDP which forms part of the register;
<b>1.1.31</b>	<b>“these presents”</b>	means these articles of association as now framed or as from time to time altered by special resolution;
<b>1.1.32</b>	<b>“transfer office”</b>	means an office maintained for the purpose of receiving for registration transfers of shares, debentures or other securities in or issued by the company;
<b>1.1.33</b>	<b>“transfer secretary”</b>	means the person or persons for the time being appointed to act as transfer secretary or transfer secretaries of the company;
<b>1.1.34</b>	<b>“uncertificated securities”</b>	means uncertificated securities as defined in section 29 of the Securities Services Act, which are entered in the company’s register of members as uncertificated securities in terms of section 91A (3)(a) of the Act;
<b>1.1.35</b>	<b>“writing”</b>	includes printing, typewriting or any mechanical process or partly one and partly the other;
<b>1.1.36</b>	<b>“year”</b>	means a calendar year.

**1.2** Headings and sub-headings appear in these presents purely for reference purposes and have no bearing on the interpretation of these presents.

## **2.0 Restrictions**

The directors shall have regard to the prohibition contained in section 39(1) of the Act regarding membership of a holding company.

### **3.0 General and specific powers**

- 3.1** The company in general meeting shall be entitled to exercise the powers vested in it by section 55 of the Act to alter by special resolution the provisions of its memorandum of association with respect to its objects and powers.
- 3.2** Subject to the provisions of the Act, the company by special resolution may acquire shares issued by itself or by its holding company, subject to the requirements of the Act and the JSE Securities Exchange SA, it being recorded that to the extent that there is any conflict or inconsistency between the provisions of this article and any other article herein contained, the provisions of this article shall prevail.
- 3.3** Any of the subsidiaries of the company may acquire shares in the company, subject to compliance with the requirements of the Act and the JSE.

### **4.0 Financial assistance**

- 4.1** The company shall not give, whether directly or indirectly, and whether by means of a loan, a guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the company or any shares in any company of which it is subsidiary.
- 4.2** If any funds of the company are employed directly or indirectly in a loan to any company which is the company's holding company or which is a subsidiary of that holding company the directors of the company shall comply with the provisions of the Act.

### **5.0 Shares**

- 5.1** All shares held in reserve from time to time shall be dealt with only in the manner determined from time to time by a general meeting and subject to the provisions of the Act and of the JSE and to any direction given by a general meeting may be allotted:
- 5.1.1** with the preferred, deferred and/or other special rights;
  - 5.1.2** subject to the restrictions in regard to dividend, return of capital or otherwise;
  - 5.1.3** with the limited or suspended right to voting permitted by the Act;
  - 5.1.4** determined by a general meeting or, if the power to do so is delegated to the directors, by the latter.
- 5.2** Any resolution at a general meeting referred to in sub-article 5.1 may direct, without detracting from the generality thereof, that the shares referred to in that resolution:
- 5.2.1** shall be offered by the directors in the first instance (either at par or at a premium and as determined by that general meeting or the directors or, in the case of no par value shares, at the issue price determined by the company) to all members in proportion to the number of shares held by them or only to the holders of ordinary shares in proportion to the number of ordinary shares held by them, unless such shares are issued for the acquisition of assets; or
  - 5.2.2** shall, subject to the provisions of section 221 of the Act, be under the unrestricted control of the directors who, in that event, may allot or grant an option in respect of those shares to anyone selected by them on the conditions and for the consideration (payable in cash or otherwise) and at (but not below) par or at a premium and as they deem fit, provided that such transaction/s has/have been approved by the JSE.
- 5.3** Subject to the provisions of the Act and with the sanction of a special resolution, any preference shares may be issued on the terms that it is, or at the option of the company is to be liable to be, redeemed and the terms and manner of redemption of the said redeemable preference shares shall be fixed by the said special resolution by way of an addition to the articles.
- 5.4** Subject to the provisions of the Act, the company may pay a commission to anyone for:
- 5.4.1** subscribing or agreeing to subscribe (whether absolutely or conditionally); or
  - 5.4.2** procuring or agreeing to procure subscriptions (whether absolutely or conditionally)

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**5.4.3** for shares or debentures allotted or to be allotted by the company.

**5.5** That commission:

**5.5.1** may be paid or agreed to be paid out of capital or profits (whether current or held in reserve or carried forward) or out of both capital and profits;

**5.5.2** shall not exceed ten per centum of the price at which the shares or debentures are subscribed or agreed to be subscribed for;

**5.5.3** may be calculated on the price at which the shares or debentures in question have been or are to be allotted;

**5.5.4** with the prior sanction of a general meeting, may be satisfied in part or in whole in fully paid shares;

**5.5.5** and all statutory conditions and requirements shall be observed and complied with in respect thereof.

**5.6** The company may pay the lawful brokerage on any allotment of shares as may be determined by the directors.

**5.7** The special rights attached to and conditions to which any class of shares is subject (referred to in this article as “the existing shares”) shall not be regarded for the purpose of article 8 as having been varied or modified by the creation or allotment of any other shares ranking in any respect *pari passu* with or after, but not in priority to, the existing shares as regards participation in the company’s assets or profits, unless the special rights which are attached to the existing shares or the special conditions to which those shares are subject provide that the creation or allotment of those other shares will be a variation or modification of any of those special rights or conditions.

**5.8** Any shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the company may from time to time by ordinary resolution determine, provided that the special rights previously attached to any shares or class of shares shall not be varied otherwise than pursuant to article 8.

**5.9** Notwithstanding the provisions of article 5.6, the company shall not create or allot any shares ranking in priority to or *pari passu* with existing preference shares of any class allotted by it without the consent of the holders of those shares given in terms of article 8.1.

**5.10** If any shares shall be issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthy period, the company may, subject to the approval of the Minister, as defined in the Act, first being had and obtained, pay interest at a rate not exceeding six per centum per annum or such lower rate as may for the time being be prescribed by the Minister, on the amount paid-up on such shares, for the period and subject to the conditions and restrictions specified in the Act, and may charge the same to capital as part of the cost of construction of the works or buildings or the provision of the plant.

## **6.0 Uncertificated securities**

To the extent that the shares of the company have been dematerialised:

**6.1** any new shares that are issued may be issued in uncertificated form if so requested by the subscriber to those shares;

**6.2** members of the company holding certificated securities shall be allowed to dematerialise shares already issued into uncertificated securities in such manner as may be prescribed by the directors, the Act and the JSE from time to time;

**6.3** uncertificated securities that are dematerialised as contemplated in article 6.2 shall have the identical rights which attached to the shares prior to dematerialisation.

## **7.0 Sub-register**

**7.1** The company shall cause to be entered into the sub-register the total number of securities of each class held in uncertificated form.

- 7.2** The sub-register shall be administered and maintained by a CSDP. The sub-register shall contain the details required in terms of sections 105 and 133 of the Act, provided that the sub-register shall not contain the name of any person on whose behalf the CSDP holds the uncertificated securities as nominee.
- 7.3** Members shall be entitled to inspect the sub-register in accordance with section 113 of the Act. The company shall, at the cost to the company payable by the member who made the request, within seven days of the date of a request for inspection, produce a sub-register reflecting at least the details prescribed by sections 105 and 133 of the Act as at the close of business on the day the request for inspection was made.
- 7.4** The company shall not be entitled to close the sub-register.

## **8.0 Variation of rights**

**8.1** If the share capital of the company is divided into different classes of shares, by reason of the existence or issue of preference shares or otherwise, then the special rights attached to and the special conditions to which the shares of any class are subject may only be varied or modified or added to or cancelled by a special resolution of the company passed with:

**8.1.1** the prior written consent of the holders of at least three-fourths of the shares of that class which have been allotted by the company; or

**8.1.2** the prior sanction of a resolution passed in the same manner, *mutatis mutandis*, as a special resolution at a separate general meeting of the holders of those shares and to which general meeting or any adjournment thereof the provisions of these presents in regard to notice of and the proceedings and voting at a general meeting shall apply, *mutatis mutandis*, except that:

**8.1.2.1** the quorum for that separate general meeting shall be 3 (three) persons who are the registered holders of at least one-quarter of the nominal amount of the shares of that class which have been allotted, in each case present personally or represented by proxy;

**8.1.2.2** if that quorum is not present at that general meeting and it is adjourned, then the quorum for that adjourned general meeting shall be 2 (two) registered holders of the shares of that class (in each case present personally or represented by proxy) when that adjourned general meeting is due to commence;

**8.1.2.3** each registered holder and the proxy for a registered holder of those shares may demand a poll at that general meeting and shall have 1 (one) vote on a poll for each of those shares registered in the name of that member.

**8.2** No further securities ranking in priority to, or *pari passu* with, existing preference shares, of any class, shall be created or issued without the consent in writing of the holders of 75% of the existing preference shares of such class, or the sanction of a resolution of the holders of such class of preference shares, passed at a separate general meeting of such holders, at which preference shareholders holding in aggregate not less than one quarter of the total votes of all the preference shareholders holding securities in that class entitled to vote at that meeting, are present in person or by proxy, and the resolution has been passed by not less than three-fourths of the total votes to which the members of that class, present in person or by proxy, are entitled.

## **9.0 Certificates**

**9.1** Each certificate of title issued by the company in respect of shares or debentures, other than uncertificated securities, and to calls or options on shares or debentures shall be issued under the authority of the directors, or of a local committee or board when authorised thereto by the directors, in such manner and form as the directors may from time to time prescribe, and shall bear the signature of two directors or of one director and of one officer of the company duly authorised thereto by the directors, and of the secretary or transfer secretary or of two members of a foreign committee and of the foreign secretary or transfer secretary or alternatively shall be under the seal of the company and shall bear the signature of one director and of the secretary or transfer secretary or one member of the foreign committee and of the foreign secretary.

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- 9.2** All signatures referred to in article 9.1 shall be autographic unless the directors by resolution shall determine or previously have determined that the signature generally or in any particular case or cases shall be affixed by mechanical means provided that such mechanical means shall be approved or previously have been approved by the internal or external auditors or bankers of the company.
- 9.3** Every certificate of shares shall specify the number of shares in respect of which it is issued, and the nominal value per share, where applicable.
- 9.4** Each member shall be entitled to one certificate for all the shares registered in his name or, if the directors so agree, to several certificates, each for a part of such holdings; provided that in the case of a share held jointly by several persons the company shall not be bound to issue more than one certificate therefore and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
- 9.5** Each member shall be entitled to certificates of shares gratis. Where a member has transferred part only of the shares comprised in a certificate, he shall be entitled without charge to a certificate for the balance of his shares.
- 9.6** If a share certificate is worn out or defaced in the opinion of anyone nominated by the directors for the purpose of this sub-article, to an extent which renders it useless, then it shall be cancelled and a new share certificate issued in place of it at no charge to the member concerned.
- 9.7** If proof is given to the satisfaction of anyone nominated by the directors for the purpose of this sub-article that a share certificate has been lost or destroyed; and
- 9.7.1** an indemnity, in a form or for an amount approved by anyone nominated by the directors for the purpose of this sub-article is delivered to the company; and
- 9.7.2** (if required by the company) an advertisement in respect of that loss or destruction has been published in accordance with the company's requirements as regards its form and publication;
- 9.7.3** in each case at the cost of the registered holder of the share(s) in question, then a new share certificate shall be issued in place of that lost or destroyed share certificate subject to the prior refund to the company of the stamp duty in respect of that share certificate.
- 9.8** If a share is registered in the names of 2 (two) or more persons as joint holders then, subject to the provisions of these presents, the person first named in the register shall be the only person recognised by the company as having any title to that share and to the certificate for it. The share certificate for such share shall be delivered only to that first-named person or anyone authorised in writing by that person to accept delivery of that share certificate.
- 9.9** Upon the death, insolvency or placing under curatorship by reason of insanity or prodigality or other incapacity of any joint holder of any share, the sole remaining holder or the first-named of two or more remaining joint holders, as the case may be, shall be the only person or persons recognised by the company as having any title to such share.
- 9.10** No person shall be recognised by the company as holding any share upon any trust, and no notice of any trust expressed or implied or constructive shall be entered in the register or be receivable by the company, and the company shall not, except only as otherwise provided by these presents or by the Act or by any order of a court of competent jurisdiction, be bound by or compelled in any way to recognise any equitable, contingent, future, partial or representative interest in any share or any right in or in respect of any share, other than an absolute right to the entirety thereof in the registered holder and such other rights in case of transmission thereof as are hereinafter mentioned.

## **10.0 Transfer of certificated securities**

- 10.1** Subject to the provisions of section 133 of the Act, and to any restriction in terms of the articles, any member may transfer all or any of his certificated securities by instrument in writing in any casual or common form or in such form and signed in such manner as the directors shall from time to time determine.
- 10.2** Except as provided in section 135 of the Act, the instrument of transfer of any share shall be signed by or on behalf of the transferor and by or on behalf of the transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect

thereof. The directors may, however, in their discretion, dispense with the signature of the transferee in such cases as they deem fit.

- 10.3** The instrument of transfer of a share shall be in writing in the usual common form, or in such form as the directors shall from time to time determine.
- 10.4** The directors may decline to recognise any instrument of transfer unless:
- 10.4.1** the instrument of transfer is accompanied by the certificate of the shares to which it relates, or such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; and
- 10.4.2** the share transfer duty thereon (if any) has been paid.
- 10.5** 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 shares to be transferred, and/or such other evidence as the company may require to prove the title of the transferor or his right to transfer the shares.
- 10.6** All authorities to sign transfer deeds granted by members for the purpose of transferring shares that may be lodged, produced or exhibited with or to the company at any of its proper offices shall as between the company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect, and the company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at each of the company's transfer offices at which the authorities were 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. The directors shall not be bound to allow the exercise of any act or matter by an agent for a member unless a duly certified copy of such agent's authority be produced and filed with the company.
- 10.7** Subject to the provisions of the Act, the company shall be entitled not to recognise the exercise of any authority to sign a transfer form on behalf of a transferor unless the written authority (or a notarially certified copy thereof prepared and delivered at the expense of the transferee) together with that transfer form is delivered to the company at the office or any of its transfer offices.
- 10.8** Any authority referred to in 10.6 which is lodged with or produced or exhibited at the office or any transfer office will be deemed, as between the company and the grantor of that authority, to remain in force and the company may allow it to be acted on until written notice of the revocation of that authority has been lodged at the office or any transfer office at which that authority was lodged or produced or exhibited.
- 10.9** All instruments of transfer which shall be registered shall be retained by the company, but any instrument of transfer which the directors may decline to register shall (except in the case of fraud), on demand, be returned to the person depositing the same.
- 10.10** If the directors refuse to register a transfer, they shall send notice to the transferor and the transferee in terms of section 139 of the Act.
- 10.11** On notice being given by advertisement in the Gazette and a newspaper circulating in the district in which the office is situate, and, in the case of any branch register in the manner required by the Act, the transfer books and the register may be closed during such time, not exceeding in the whole sixty days in each year, as the directors think fit.

## **11.0 Transfer of uncertificated securities**

- 11.1** Ownership in uncertificated securities shall be transferred upon the debiting and crediting, respectively, of both the account in the sub-register from which the transfer is effected and the account in the sub-register to which the transfer is made. Only a CSDP shall be entitled to effect such a transfer and it shall only be entitled to do so:
- 11.1.1** on receipt of an instruction to transfer that has been sent and properly authenticated in terms of the rules of the central securities depository; or
- 11.1.2** in terms of an order of court.

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- 11.2 Upon entry of the name of a person into the sub-register, that person shall become a member of the company and shall be recognised as such in respect of the uncertificated securities registered in his name.
  - 11.3 Transfer of ownership and membership in accordance with articles 11.1 and 11.2 shall occur notwithstanding any fraud or illegality which may affect the uncertificated securities in respect of which the transfer was effected or which may have resulted.
  - 11.4 The company shall be liable to a CSDP for the fee prescribed from time to time in terms of the provisions of the Act in respect of the transfer of ownership in uncertificated securities.

## **12.0 Transmission of shares**

- 12.1 The executor or administrator of a deceased member or the trustee of an insolvent member or the curator of any insane or prodigal member or any person duly appointed by competent authority to represent or act for any member shall, subject to the provisions of article 9.8 regarding joint holders, be the only person recognised by the company as having any title to any share registered in the name of such member.
- 12.2 Subject to any laws for the time being in force relating to stamp duty or duty upon deceased estates, any person recognised in terms of these articles as having any title to any share and also the legal guardian of any minor member, and any person who obtains title to any share by operation of law in any other manner, may upon producing such evidence as to the capacity in which he claims to act under this article or as to his title, as the directors think sufficient and subject to the provisions as to transfer hereinbefore contained.
- 12.3 A person who submits proof of his appointment as the executor, administrator, trustee, curator or guardian in respect of the estate of a deceased member or the estate of a member whose estate has been sequestrated or who is otherwise under a disability or of his appointment as the liquidator of any body corporate which is a member shall be entered in the register *nominee officii*, and shall thereafter, for all purposes, be deemed to be a member.
- 12.4 Fully paid shares shall not be subject to any lien in favour of the company and shall be freely transferable, provided that the directors may decline to register any proposed transfer of shares if the transfer is to a minor or to a person of unsound mind.

## **13.0 Statements**

- 13.1 Each member shall be entitled to receive a regular statement from the CSDP or stock broker setting out the number and identity of the uncertificated securities held on behalf of that member. The statement shall be provided free of charge.
- 13.2 The company shall not be entitled to issue certificates evidencing or purporting to evidence title to uncertificated securities for so long as such securities are trading and settling in an uncertificated environment.

## **14.0 Withdrawal of uncertificated securities**

- 14.1 If a member wishes to withdraw all or part of his uncertificated securities held by a CSDP or stock broker and to obtain a certificate in respect of those uncertificated securities, he must notify the CSDP thereof.
- 14.2 The CSDP shall, within seven days of receipt of the notification referred to in article 14.1 request the company to provide a certificate and shall remove the uncertificated securities so withdrawn from the sub-register.
- 14.3 The company shall, immediately upon receipt of the request from the CSDP, enter the necessary details of the member and his shareholding into the register and indicate in such register that the uncertificated securities so withdrawn are no longer held in uncertificated form.
- 14.4 The company shall, within fourteen days of receipt of the notice referred to in article 14.2, prepare and deliver to the relevant member a certificate, issued *mutatis mutandis* in accordance with the provisions of article 9, and notify the central securities depository that those securities are no longer held in uncertificated form.

**15.0 Register of members and debenture holders**

- 15.1** The company shall cause to be kept and maintained a proper register of members at the place and in the manner specified in the Act and may, subject to the provisions of the Act, establish a duplicate or branch register in any country or countries and from time to time make, amend and cancel the regulations which they deem fit in regard to the opening or closing of any duplicate or branch register in question.
- 15.2** If at any time the company has any debentures in issue, the company shall cause to be kept and maintained a proper register of members at the place and in the manner specified in the Act and such register shall show the number of debentures which are issued and outstanding and shall specify the names and addresses of the holders of such debentures.

**16.0 Increase and reduction of capital**

- 16.1** The company may from time to time by special resolution increase the capital by such sum divided into shares of such amount, or may increase the number of its shares of no par value to such number, as the resolution shall prescribe.
- 16.2** The company may increase its capital, if any, constituted by shares of no par value, by transferring reserves or profits to the stated capital, with or without a distribution of shares.
- 16.3** Subject to any directions to the contrary that may be given by the resolution increasing the share capital, any original shares for the time being unissued and any new shares from time to time created shall, before issue, be offered in the first instance, and either at par or at a premium, to all the members, as nearly as the circumstances permit, in proportion to the amount of capital held by each such member. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may, subject to these presents, dispose of such shares in such manner as they think beneficial to the company. The directors may in like manner dispose of any such new original shares as aforesaid which, by reason of the ratio which such shares bear to capital held by persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning such shares, cannot, in the opinion of the directors, be conveniently offered in the manner hereinbefore provided.
- 16.4** Except insofar as is otherwise provided by the conditions of issue or by these presents, any capital raised by the creation and issue of new shares shall be considered part of the original capital, and shall be subject to the provisions herein contained with reference to transfer and transmission and otherwise.
- 16.5** The company may from time to time by special resolution reduce its share capital, stated capital, any share premium account or any capital redemption reserve fund and, without prejudice to the generality of the power hereby conferred, may cancel any paid-up share capital which is lost or unrepresented by available assets, or pay off any paid-up share capital which is in excess of the wants of the company.
- 16.6** Any share capital which is in excess of the wants of the company may be paid in cash or may be satisfied either wholly or in part, by the distribution of specific assets, including paid-up shares or debentures of any other company or in any way specified in the special resolution reducing the capital. If any difficulty arises in regard to the distribution, the directors may settle the same as they think expedient, and in particular may fix the value for distribution of such specific assets and they may determine that cash payments shall be made to any members on the basis of the value so fixed in order to adjust the rights of all parties and they may vest any such assets in trustees upon such trusts as the directors deem appropriate. If, as a result of a reduction of capital, any member becomes entitled to fractions of any specific asset of the company, the directors shall round such fractions up or down, as the case may be, to the nearest full number of shares or debentures to determine their participation in such distribution. If, as a result of a reduction of capital, any member becomes entitled to specific assets and does not claim such assets within six months from the date he became so entitled, the directors may sell such assets and, after deducting the expenses of such sale, hold the balance of the proceeds of the sale for the account of the member.
- 16.7** All unclaimed amounts due as a result of a reduction of capital or a consolidation of any shares in terms of article 17.0 may be invested or otherwise utilised by the directors for the benefit of the company until claimed.

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- 16.8** The directors may resolve that any return of capital made to members whose registered addresses are outside the Republic or who have given written instructions requesting payment at addresses outside the Republic shall be paid in such other currency or currencies as may be stipulated by the directors. The directors may also stipulate the date (hereinafter referred to as “the currency conversion date”) upon which, and a provisional rate of exchange at which, the currency of the Republic shall be converted into such other currency or currencies, provided that such currency conversion date shall be within a period of thirty days prior to the date of payment. If, in the opinion of the directors, there is no material difference between the rate/s of exchange ruling on the currency conversion date and the provisional rate/s of exchange stipulated by the directors then the currency of the Republic shall be converted at the latter rate/s, but if, in the opinion of the directors there is a material difference then the currency of the Republic shall be converted into such other currency or currencies at the rate/s of exchange ruling on the currency conversion date, or at a rate or rates of exchange which, in the opinion of the directors, is/are not materially different. Any subsequent rise or fall of rate/s of exchange determined as above shall be disregarded.
- 16.9** The company may also by special resolution cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and may diminish the amount of its share capital by the amount of the shares so cancelled or may cancel shares of no par value which have not been so taken or agreed to be taken.
- 16.10** Upon a resolution by members in general meeting authorising the directors to apply for the name of the company to be struck off the Register of Companies, the directors may nominate a trustee or trustees as paying agent for the final repayment of capital and may pay to such trustee or trustees for distribution to members in accordance with their rights the full amount of such final repayment of capital, and may also pay to such trustee or trustees all amounts unclaimed in respect of dividends and repayments of capital not forfeited pursuant to the provisions of article 34.4 to be held by such trustee or trustees for the benefit of the persons entitled thereto until the said amounts are claimed by such persons, or until such amounts become liable to or qualify for payment into the Guardians Fund in accordance with the provisions of the Administration of Estates Act, 66 of 1965, as amended. Upon payment to the trustee or trustees pursuant hereto, the company shall be absolved from all or any claims which any member may have had in respect of such dividends or repayments of capital and the said member’s rights shall thenceforth be confined to making claim upon the said trustee or trustees or the Guardians Fund, as the case may be.

## **17.0 Alterations of capital**

**17.1** The company may by special resolution:

- 17.1.1** consolidate and divide all or any part of its capital into shares of larger amount than its existing shares or consolidate and reduce the number of issued shares of no par value to such number as the resolution shall prescribe;
- 17.1.2** divide its capital or any part thereof into shares of smaller amount than is fixed by its memorandum of association by subdivision of its existing shares or any of them, subject nevertheless to the provisions of the Act and so that, as between the resulting shares, no one or more of such shares may by the resolution by which such subdivision is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the other or any other of such shares;
- 17.1.3** increase the number of its issued no par value shares without an increase of its stated capital;
- 17.1.4** convert all of its ordinary or preference share capital consisting of shares having a par value into stated capital constituted by shares of no par value;
- 17.1.5** convert its stated capital constituted either by ordinary or preference shares of no par value into capital consisting of shares having a par value;
- 17.1.6** vary the rights attached to any shares not yet issued;
- 17.1.7** convert any of its shares, whether issued or not, into shares of another class, including redeemable preference shares;

- 17.1.8** reduce its share capital, stated capital, any capital redemption fund or any share premium account in any manner and with, and subject to, any incident authorised and consent required by law; and
- 17.1.9** subject to the provisions of the Act, convert its preference shares into preference shares which are or at the option of the company are liable to be, redeemable.
- 17.2** Whenever, as the result of a consolidation of any shares, a fraction of a share is included in the holding of any member, such fraction, together with other fractions included in other holdings, may be sold by such person as is appointed for that purpose by the directors and such person shall stand authorised to transfer the said shares so sold to the purchaser and the validity of any such transfer shall not be questioned.
- 17.3** The directors shall cause a rateable proportion of the net proceeds of the sale to be accounted for to the holders whose fractions of shares are so sold.

## **18.0 General meetings**

- 18.1** Save as is provided for in the Act, an annual general meeting shall be held not later than six months after the end of each financial year of the company, and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next. The annual general meeting of the company shall be held at such place and at such time as the directors may from time to time determine.
- 18.2** The directors may, whenever they think fit, convene a general meeting, and the directors shall forthwith proceed to convene a general meeting if and when required so to do in accordance with the provisions of the Act.
- 18.3** Notices of all general/annual general meetings shall be sent to all beneficial owners. In addition to notices of general/annual general meetings to be sent to all beneficial owners, such notices will also be announced through SENS (the Stock Exchange News Service of the JSE).
- 18.4** If, at any time, there shall not be within the Republic sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene a general meeting in the same manner, as nearly as possible as that in which meetings may be convened by the directors.
- 18.5** An annual general meeting or a general meeting called for the passing of a special resolution shall be called by not less than twenty-one clear days' notice in writing and any other general meeting shall be called by not less than fourteen clear days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and, in the case of special business, the general nature of such business and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under these presents, entitled to receive such notices from the company, and also at the same time to any stock exchange/s on which the company's shares or other securities are listed or quoted in terms of any regulations of any such stock exchange/s; provided that a meeting of the company shall, notwithstanding the fact that it is called by shorter notice than that specified in this article, be deemed to have been duly called if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting, being a majority holding not less than ninety-five per centum of the total voting rights of all the members.
- 18.6** In every notice calling a general meeting of the company and upon the face of every proxy form issued at the expense of the company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote thereat is entitled to appoint one or more persons as his proxy to attend, speak and vote in his stead and that a proxy need not be a member.
- 18.7** The accidental omission to give notice of a general meeting of the company to any of the members or the non-receipt of such notice by any member shall not invalidate any resolution passed at any such meeting.

## **19.0 Quorum and proceedings at general meetings**

- 19.1** The business of an annual general meeting shall be to receive and consider the annual financial statements, to sanction dividends (where applicable), and to elect directors, auditors and other officers in

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the place of those retiring by rotation or otherwise. All other business transacted at an annual general meeting and all business transacted at an extraordinary meeting shall be deemed special. Unless due notice thereof has been given, no special business shall be transacted at an annual general meeting and only such business of which due notice has been given shall be transacted at any other general meeting.

- 19.2** The quorum for a general meeting shall be three members entitled to vote, personally present, or in the case of a member which is a body corporate, represented.
- 19.3** No business shall be transacted at any general meeting unless the quorum requisite shall be present.
- 19.4** If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, and in any other case shall stand adjourned to the same day in the next week, at the same time and place, or, if that day is a Saturday, Sunday or public holiday in the Republic, to the next succeeding day which is not a Saturday, Sunday or public holiday in the Republic, and if at such adjourned meeting a quorum is not present within thirty minutes from the time appointed for the meeting, the members present in person or by proxy shall be a quorum.
- 19.5** The chairman, or failing him the deputy chairman of the board of directors, shall be the chairman of a general meeting. If the company does not have a chairman or deputy chairman of the board of directors at that time or neither the chairman nor deputy chairman of the board of directors is present within 10 (ten) minutes after the time appointed for the holding of that general meeting, or both the chairman and deputy chairman are present but are unwilling to act, or either the chairman or deputy chairman is present and is unwilling to act, then the directors who are at that general meeting shall choose one of their number to be its chairman or, if no directors are present at that meeting or if all the directors who are present at that meeting refuse to act as its chairman, then the members who are present shall choose one of their number to be the chairman of that meeting.
- 19.6** The chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned as a result of a direction given in terms of the Act, notice of the adjourned meeting shall be given in the manner prescribed in the Act, but save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than an announcement to that effect at the meeting at which that adjournment takes place.
- 19.7** Save as is otherwise expressly provided by the Act or by these presents, all questions, matters and resolutions arising at or submitted to any general meeting shall be decided by a majority of the votes cast and shall, in the first instance, be decided by a show of hands. In the case of an equality of votes, the chairman shall both on a show of hands and at a poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.
- 19.8** Subject to the provisions of the Act, at any general meeting, unless a poll is demanded, a declaration by the chairman that a resolution has been carried, or carried by a particular majority, or lost, or not carried by a particular majority, shall be final and an entry to that effect in the minute book of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 19.9** At any general meeting a poll may be demanded:
- 19.9.1** by the chairman; or
  - 19.9.2** by not less than five members having the right to vote at the meeting; or
  - 19.9.3** by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - 19.9.4** by a member or members entitled to vote at the meeting and holding in the aggregate not less than one-tenth of the issued capital of the company.

- 19.10** A poll may not be demanded upon the question of the election of a chairman and only the chairman may demand a poll upon the question of any adjournment. If a poll is demanded as aforesaid, it shall be taken in such manner and at such place and time as the chairman of the meeting directs and either immediately or after an interval or adjournment (not exceeding seven days), the demand for a poll may be withdrawn. Scrutineers shall be appointed by the chairman to count the votes and to declare the result of the poll, and their declaration, which shall be announced by the chairman of the meeting, shall be deemed to be the resolution of the meeting at which the poll was demanded. In case of any dispute as to the admission or rejection of a vote, the chairman of the meeting shall determine the same, and the determination of the chairman made in good faith shall be final and conclusive.
- 19.11** The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

## **20.0 Voting**

- 20.1** Subject to any special terms as to voting upon which any share may be issued, including without limitation the provisions of 20.2 in regard to the holders of the 5,5% cumulative preference shares and subject to the Act, every person entitled to vote and present in person or by proxy, and, if the person is a body corporate, its representative, shall be entitled to that proportion of the total votes in the company which the aggregate amount of the nominal value of the shares held by him bears to the aggregate amount of the nominal value of all the shares issued by the company. On a poll taken at any such meeting a person entitled to more than one vote need not if he votes use all his votes, or cast all the votes he uses in the same way.
- 20.2** The 5,5% cumulative preference shares shall only entitle the holders of the same to vote on a resolution which is proposed at a general meeting for:
- 20.2.1** the winding up of the company; or
  - 20.2.2** the reduction of the company's share capital; or
  - 20.2.3** directly affecting the rights of each of those shares or the interests of the holders of those shares; or
  - 20.2.4** the increase of the borrowing powers of the company beyond those stated in article 31.2; or
  - 20.2.5** any other resolution if the fixed cumulative preferential dividend (or any part thereof) on those shares has been unpaid for three (3) months after any half-yearly date fixed for the payment thereof
- and in that event:
- 20.2.6** each holder of those shares who is present in person shall have two (2) votes on a show of hands;
  - 20.2.7** each holder of those shares who is present in person or by a representative or represented by a proxy shall have two (2) votes on a poll
  - 20.2.8** in respect of each of those 5,5% cumulative preference shares held by him.
- 20.3** If the ordinary shares in the capital of the company are consolidated or further subdivided into shares of larger or smaller amounts, then the votes of the holders of the said 5,5% cumulative preference shares in terms of 20.2 shall be adjusted accordingly and simultaneously with that consolidation or sub-division.
- 20.4** The persons entitled to attend and vote at general meetings of the company shall be:
- 20.4.1** the members, subject to the provisions of these presents as regards joint holders of shares;
  - 20.4.2** the holders of 5,5% cumulative shares who shall be entitled to attend but who (and the proxies or representatives of whom) shall only be entitled to vote subject to the limitations in 20.2;
  - 20.4.3** persons entitled under article 10.1 to transfer shares;
  - 20.4.4** subject to 20.2, proxies of the persons referred to in articles 20.4.1 and 20.4.2 above, duly appointed in the manner prescribed in these presents.

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**20.4.5** Every person entitled to attend and vote shall also be entitled to speak at such meetings and, subject to these presents, to demand a poll.

**20.5** Anyone who satisfies the directors (or anyone else nominated by the directors for the purpose of this sub-article) at least 48 hours excluding Saturdays, Sundays and official public holidays before the time for the holding of a general meeting of his right to vote at that meeting in respect of a share in the company may vote at that general meeting as if he is the registered holder of that share.

**20.6** When there are joint registered holders of any shares any one of such persons may vote at any meeting in respect of such shares as if he were solely entitled thereto, but, if more than one of such joint holders be present or represented at any meeting, that one of the said persons whose name stands first in the register in respect of such shares or his proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member, in whose name any shares stand, shall for the purpose of this article be deemed joint holders thereof.

**20.7** Any objection to the admissibility of a vote on a show of hands or a poll shall be raised at the general meeting at which that show of hands or poll is to take place or takes place or at which the result of that poll is announced. That objection shall be determined by the chairman of that general meeting and his decision thereon may not be challenged. In any event, a resolution shall not be invalid because a vote which should not have been included has been taken into account unless, in the opinion of the chairman of that general meeting, that error is of sufficient magnitude to have that effect.

**20.8** A declaration by a chairman of a general meeting that a resolution has been passed or has not been passed on a show of hands or on a poll shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against that resolution.

**20.9** An entry in the record book referred to in article 21.8 that a resolution has or has not been passed shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against that resolution.

## **21.0 Proxies**

**21.1** Any person referred to in articles 20.4, 20.5 and 20.6 may appoint one or more persons, whether members or not, to act as his proxy or proxies at any meeting of the company or any adjournment thereof. The appointment of a proxy shall be made either by means of a proxy form or by a power of attorney or by such other means as may be acceptable to the directors.

**21.2** Where a company is the registered holder of a share, it may authorise, by a resolution of its directors or other managing body (or if that company is in provisional or final liquidation or under a provisional or final judicial management order, its liquidators or provisional judicial managers (as the case may be) any person it(they) deems (deem) fit to act as its (their) representative at any general meeting and in that event any such representative shall be entitled to exercise the same rights and powers which that company, at that meeting, would have as if that company were an individual member.

**21.3** Every proxy form, whether for a specified meeting or otherwise, shall be in writing and in such form as the directors shall from time to time approve. The directors shall cause to be included at the company's expense with every notice of a general meeting sent to all members who are entitled to attend and vote at such meeting a form of proxy approved by the directors for that purpose.

**21.4** The instrument or other authority appointing a proxy to attend and vote at any general meeting or establishing the right of any person to transfer shares under article 10.1 shall be deposited at the company's office or elsewhere as may be determined by the directors forty-eight hours (or such lesser period as the directors may unanimously determine in relation to any particular meeting) before the time for the holding of the meeting or adjourned meeting, as the case may be, at which such proxy or person proposes to vote, or at such other places and within such time as the directors may from time to time direct and unless such instrument or authority is so deposited such proxy or person shall (unless the chairman of the meeting or adjourned meeting concerned, at his discretion determines otherwise, which determination may not be challenged) not be entitled to attend and vote at the meeting. In calculating the aforesaid period, Saturdays, Sundays and public holidays shall not be taken into account.

- 21.5** Proxy forms which, although not before a general meeting, have been duly deposited in accordance with the foregoing provisions shall be valid for all the purposes of the meeting and the chairman thereof shall be entitled and empowered to act upon telefaxed, e-mailed or other written information relating to such forms and the terms thereof if such information purports to emanate from some person or persons in authority in the company's offices or such other places as may be determined by the directors, as the case may be. Should the chairman of any such meeting determine to so act upon such information, any scrutineers appointed in accordance with article 19.10 shall be bound and obliged also so to act thereon.
- 21.6** No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution unless specifically so stated on the instrument itself.
- 21.7** A vote given in accordance with the terms of a form of proxy or a power of attorney or a resolution appointing a representative of a company shall be valid notwithstanding the previous revocation of the proxy, power of attorney or resolution or death or incapacity of the principal or transfer of the share in respect of which the vote is given unless written notice of the revocation, death, incapacity or transfer is received at the office before the commencement of the general meeting or adjourned general meeting or the time appointed for the taking of the poll at which the vote in question is to be cast.
- 21.8** The directors shall cause a record to be made of all resolutions passed at a general meeting in a book provided for that purpose. That record or any extract therefrom which purports to be signed by the chairman of the board of directors, or any director or the secretary shall be prima facie evidence of the matters stated therein.

## **22.0 Directors**

- 22.1** The number of directors shall not be less than six and not more than twelve, provided that at all times the majority of the directors of the company shall not be in its full-time employ. The directors shall have power at any time and from time to time to appoint any person as a director either to fill a casual vacancy or as an additional director, provided that the number of the directors and the composition of the board shall remain in accordance with this article 22.1.
- 22.2** Should the minimum number of directors or the composition of the board at any time not meet the requirements of 22.1 the continuing directors may act, notwithstanding any vacancy in their number, but if and for so long as their number is reduced below the minimum determined in terms of sub-article or the composition of the board does not meet its requirements, the continuing director(s) may act only to:
- 22.2.1** fill the vacancy(ies) or increase the number of directors to the required minimum or board composition; or
- 22.2.2** convene a general meeting for that purpose.
- 22.3** If there is no director or no director able or willing to act in the circumstances contemplated in 22.2 then any member may convene a general meeting for the purpose stated in 22.2.1.
- 22.4** Any director appointed in terms of 22.1 or 22.2 by the directors or by a general meeting convened in terms of 22.2.2 shall hold office only until the conclusion of the next annual general meeting but shall not be taken into account in determining the directors who are to retire by rotation at that meeting and shall be eligible for re-election.
- 22.5** The directors shall not be obliged to hold any shares to qualify them as directors.

## **23.0 Disqualification and removal of directors**

- 23.1** A director shall cease to hold office as such:
- 23.1.1** if his estate is finally sequestrated or the surrender of his estate as insolvent is finally accepted;
- 23.1.2** if he enters into a compromise with his creditors generally;
- 23.1.3** if he becomes of unsound mind;
- 23.1.4** if he is absent from directors' meetings for 6 (six) consecutive months without the directors' prior permission and he is not represented at any meetings of directors during those 6 (six) consecutive months by an alternate director and a resolution is passed by the directors that he be removed from office;

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- 23.1.5** if he resigns by written notice which is delivered at the office and then with effect from the date stated in that notice but which shall not be more than 14 (fourteen) days after its delivery;
- 23.1.6** if, in terms of the Act, he is prohibited from acting as a director;
- 23.1.7** if a written notice stating that from a fixed date he will cease to be a director is signed by a majority of the other directors and is lodged at the office from that fixed date but which shall not be more than 14 (fourteen) days after its delivery, but subject to any claim which that director may have for damages should his so ceasing to be a director be a breach of a contract between him and the company.
- 23.2** Any vacancy resulting from the removal of a director in terms of 23.1 or in terms of the Act may be filled in terms of articles 22.1 or 22.2.
- 23.3** Subject to the provisions of the Act, the company may by ordinary resolution remove any director before the expiration of his period of office and may by ordinary resolution elect another person in his stead. The person so elected shall hold office during the time only as the director in whose place he is elected would have held office.

#### **24.0 Rotation of directors**

- 24.1** At each annual general meeting:
- 24.1.1** the directors bound to retire under article 24.3; and
- 24.1.2** 1/3rd (one-third) or the number nearest to, but not less than one-third if their number is not a multiple of 3 (three), then the number nearest to but not greater than 1/3rd (one-third) of the other directors (excluding an executive director holding office in terms of a contract under article 27);
- 24.1.3** shall retire from office.
- 24.2** The directors to retire at each annual general meeting (other than those bound to retire in terms of article 24.3) shall be those, being subject to retirement by rotation, who have been longest in office, but as between directors of equal seniority those to retire, in the absence of agreement among themselves, shall be determined by lot.
- 24.3** Notwithstanding any other provisions of this sub-article, at the date of any annual general meeting, any director (other than an executive director holding office in terms of a contract under article 27) who has been in office for at least 3 (three) years shall retire at that meeting.
- 24.4** If a director is required to retire at any general meeting then he shall continue to be a director until the election of directors at that meeting is concluded.
- 24.5** The length of time a director has been in office shall, subject to the provisions of article 24.3, be reckoned from the date of his last appointment as a director.
- 24.6** Retiring directors shall be eligible for re-election. No person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election to the office of director at any general meeting unless, not less than six days nor more than fourteen days before the day appointed for the meeting, there shall have been given to the secretary notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given, of the intention of such member to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.
- 24.7** Subject to the preceding article, the company in general meeting may fill the vacated offices by electing a like number of persons to be directors, and may fill any other vacancies. In electing directors, the provisions of the Act shall be complied with.
- 24.8** If at any annual general meeting at which an election of directors ought to take place, the place of any retiring director is not filled, he shall, if willing, continue in office until the dissolution of the annual general meeting in the next year, and so on from year to year until his place is filled, unless it shall be determined at such meeting not to fill such vacancy.

## 25.0 Remuneration of directors

- 25.1** The remuneration of the directors shall be such sum as may from time to time be determined by the company in general meeting after considering the recommendations of an independent, non-executive committee of the board.
- 25.2** The directors shall be paid all their travelling and other expenses properly and necessarily incurred by them in and about the business of the company, and in attending meetings of the directors or of committees thereof.
- 25.3** If any director shall be required to perform extra service or to go or to reside abroad, or if any director shall be specially occupied about the company's business or perform services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director, including without limitation serving as a member or chairman of a sub-committee of the board, he may receive such extra remuneration as determined by a general meeting after considering the recommendations of an independent, non-executive committee of the board and such extra remuneration may be either in addition to or in substitution for the remuneration provided for in the last preceding article.
- 25.4** The remuneration referred to in 25.1 and 25.3 shall accrue from day to day and shall be payable quarterly.

## 26.0 Employment of and contracting with directors

- 26.1** A director may be employed by or hold any office of profit under the company or under any subsidiary or holding company in conjunction with the office of director, other than that of auditor of the company or of any subsidiary company, and upon such terms as to appointment, remuneration and otherwise as a disinterested quorum of the directors may determine, and any remuneration so paid may be in addition to the remuneration payable in terms of articles 25.1 and 25.3.
- 26.2** A director may act, or any firm of which he is a member may act, in a professional capacity (other than that of auditor) for the company or any company of which he is a member and he (or his firm) shall be entitled to remuneration for those professional services.
- 26.3** No director or intending director shall be disqualified by his office from contracting with the company, whether with regard to such office or as vendor or purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the company, in which any director shall in any way be interested, be or be liable to be avoided; nor shall any director so contracting or being so interested be liable to account to the company for any profit realised by any such contract or arrangement by reason of such director holding that office, or of the fiduciary relationship thereby established, but the nature of his interest shall be declared by him in accordance with the provisions of the Act.
- 26.4** No director shall vote as a director in respect of any contract or arrangement in which he is so interested as aforesaid, and if he does so vote, his vote shall not be counted, nor for the purpose of any resolution regarding the same shall he be counted in the quorum present at the meeting, provided that these prohibitions shall not apply to:
- 26.4.1** any contract or dealing with a company of which the directors of the company or any of them may be directors, members, managers, officials or employees or otherwise interested;
  - 26.4.2** the giving of any security or indemnity to a director in respect of money lent or obligations or other liabilities incurred by him at the request of or for the benefit of the company or any of its subsidiaries;
  - 26.4.3** any contract to underwrite or sub-underwrite any shares or obligations of the company or any shares in or debentures or obligations of any company in which the company may be in any way interested;
  - 26.4.4** any proposal concerning an offer of shares or debentures or other securities of or by the company or any of its subsidiaries for subscription or purchase in which offer a director is or is to be interested directly or indirectly in the underwriting or sub-underwriting thereof, or any allotment or issue complying with the provisions of section 222 of the Act;

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- 26.4.5** any resolution determining the remuneration of the directors in terms of articles 25.1 or 25.3;
- 26.4.6** any contract for the payment of commission in respect of the subscription for shares or obligations of the company;
- 26.4.7** the giving of any security or indemnity to a third party in respect of a debt or obligation of the company or any of its subsidiaries for which the director himself has assumed responsibility in whole or in part under a guarantee of indemnity or by the giving of security;
- 26.4.8** any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which a director may benefit and which has been approved by or is subject to and conditional upon approval by the relevant revenue authorities for taxation purposes.
- 26.4.9** The above prohibitions may at any time be suspended or relaxed to any extent by the company in general meeting.
- 26.5** Any notice given to the directors by a director to the effect that he is a member of a specified company or firm shall comply with the provisions of the Act.
- 26.6** For the purpose of this article 26, an alternate director shall not be deemed to be interested in any contract or arrangement merely because the director for whom he is an alternate is so interested.
- 26.7** Nothing in this article 26 contained shall be construed so as to prevent any director as a member from taking part in and voting upon all questions submitted to a general meeting whether such director shall be personally interested or concerned in such question or not.
- 26.8** Subject to the provisions of the Act, a director may be or become a director or officer of any subsidiary of the company or any company which is controlled by it or of which it is a member or in which it has a financial interest.
- 26.9** The directors may exercise the voting power conferred by the shares held or owned by the company in any other company, or exercisable by them as directors of that other company, in the manner which they deem fit (including the exercise thereof in appointing themselves or any of them as directors or officers of that other company). A director may be counted in calculating the quorum at a directors' meeting for the purpose of any resolution regarding the voting rights referred to in this sub-article 26.9 and may vote in favour of the exercise of those voting rights notwithstanding that he may be, or be about to be appointed, a director or officer of that other company.
- 26.10** A director, notwithstanding his interest, may be counted in the quorum present at any meeting at which:
- 26.10.1** he or any other director is appointed to hold any office or place of profit in the company; or
- 26.10.2** the directors resolve to exercise any of the company's rights (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a director to hold any office or place of profit in any other company, or in any business, concern or operation; or
- 26.10.3** the terms of any appointment mentioned above are arranged or varied
- and he may vote on any such matter other than in respect of his own appointment or the arrangement or variation of the terms thereof.

## **27.0 Chief executive and executive directors**

- 27.1** The directors may from time to time appoint one or more of their number to be chief executive or joint chief executive of the company, or to be the holder of any other executive office in the company and may, subject to any contract between him or them and the company, from time to time terminate his or their appointment and appoint another or others in his or their place or places. Directors so appointed may be full-time employees of the company and shall be referred to in these presents as executive directors.
- 27.2** Only a minority of the directors of the company may be executive directors.
- 27.3** An executive director may be appointed by contract on terms and conditions approved by the directors for a maximum period of five years at any one time. An executive director shall be eligible for re-appointment at the expiry of any period of appointment.

- 27.4** An executive director appointed in terms of 27.1 under a contract with the company (and which makes a provision to that effect) shall not be subject to retirement by rotation and shall not be taken into account in determining the rotation in which the directors retire.
- 27.5** The remuneration of an executive director shall be fixed by an independent, non-executive sub-committee of the board or by a general meeting.
- 27.6** The appointment of an executive director shall be subject to termination if he ceases to be a director for any reason whatever and if that appointment does cease in terms of this sub-article then it will be without prejudice to any claim which he may have for damages against the company for the breach of any contract of service between him and it.
- 27.7** The directors may from time to time entrust and confer upon a managing director or other executive director for the time being such of the powers and authorities vested in them as they think fit, and may confer such powers and authorities for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient, and they may convert such powers and authorities either collaterally with, or to the exclusion of, and in substitution for, all or any of the powers and authorities of the directors, and may from time to time revoke, withdraw, alter or vary all or any of such powers and authorities.

## **28.0 Proceedings of directors**

- 28.1** The directors may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A director may at any time require the secretary to convene a meeting of the directors. Notice of meetings of the directors shall be given to all directors and alternate directors at their addresses as advised in writing to the secretary from time to time.
- 28.2** 4 (four) directors or their alternates, of whom at least 2 (two) shall not be in the full-time employ of the company, present at the commencement of and throughout a meeting of directors or any adjournment of a meeting of directors shall be a quorum of that meeting or for any adjournment thereof. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the chairman shall have a second or casting vote.
- 28.3** The directors may elect a chairman of their meetings, provided that he shall not be in the full-time employ of the company, and one or more deputy chairmen to preside in the absence of the chairman, and may determine a period for which they are to hold office, which period shall, however, not exceed the period ending at the conclusion of the next annual general meeting. If no such chairman or deputy chairman is elected or if at any meeting neither the chairman nor a deputy chairman is present at the time appointed for holding the same, the directors shall choose one of their number to be chairman of such meeting.
- 28.4** A meeting of the directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these presents or the regulations of the company for the time being vested in or exercisable by the directors generally.
- 28.5** A resolution in writing signed by all the directors who may at the time be entitled to receive notice of a directors' meeting, shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted. Such a resolution may consist of several documents in like form, each signed by one or more directors.
- 28.6** The directors may delegate any of their powers to a committee consisting of such member or members of their body as they think fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the directors.
- 28.7** The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations made by the directors under the last preceding article, save that in the case of an equality of votes the chairman shall not have a second or casting vote.
- 28.8** All acts done at any meeting of the directors or of a committee of the directors, or by a director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of

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one or more directors, or that they or any of them were disqualified or had vacated office or were not qualified to vote, be as valid and effectual as if every such person had been duly appointed and was qualified to be and to act and vote as a director.

**28.9** As regards all persons dealing in good faith with the company, all acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director in terms of these presents, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of such directors or persons acting as aforesaid, or that they or any of them were disqualified or had ceased to hold office or were not entitled to vote, be as valid as if every such person had been duly appointed or was qualified or had continued to be a director or was entitled to vote, as the case may be.

## **29.0 Powers of directors**

**29.1** The management of the business and the control of the company shall be vested in the directors who may exercise all such powers as may be exercised by the company and are not hereby or by the Act expressly directed or required to be exercised by the company in general meeting, but subject, nevertheless, to the provisions of these presents and to any resolution not inconsistent with these presents passed at any general meeting of the members in accordance therewith; provided that no resolution passed by the company in general meeting shall invalidate any prior act of the directors which would have been valid if such resolution had not been passed.

**29.2** It is hereby declared, pursuant to the provisions of the Act, that although the directors shall have power to enter into a provisional contract for the sale or alienation of the whole or substantially the whole of the undertaking of the company, or the whole or the greater part of the assets of the company, such provisional contract shall only become binding on the company in the event of the specific transaction proposed by the directors being ratified and confirmed by a resolution passed by a majority of the votes cast at a general meeting.

**29.3** Without in any way limiting or restricting the general powers of the directors to grant pensions, allowances, gratuities and bonuses to officers or ex-officers, employees or ex-employees of the company or the dependents of such persons, it is hereby expressly declared that the directors may from time to time without any further sanction or consent of the company in general meeting grant pensions, gratuities or other allowances to any person or to the widow or dependents of any deceased person in respect of services rendered by him to the company as managing director, executive director, general manager or manager, or in any other office or employment under the company, notwithstanding that he may continue to be elected as director or may have been a director of the company, of such amounts, for such period, whether for life or for a definite period or for a period terminable on the happening of any contingency or event, and generally upon such terms and conditions as the directors in their discretion may from time to time think fit. For the purpose of this article, the expression "executive director" shall mean a director appointed to an executive office in the company and receiving in addition to his fees as a director salary or remuneration for additional services whether under a service agreement or otherwise. The directors may authorise the payment of such donations by the company to such religious, charitable, public or other bodies, clubs, funds or associations or persons as may seem to them advisable or desirable in the interest of the company.

## **30.0 Statutory records**

**30.1** The directors shall comply with all the requirements of the Act as to the keeping of statutory books including those relative to the register, a register of interests of directors and others in shares, a register of directors and officers, a register of pledges and bonds, a register of the interests in contracts of directors and officers, a register of fixed assets, a register of allotments, a directors' attendance book and a minute book or books. The minutes shall record inter alia the names of all directors present at each meeting of directors or of any committee, all appointments of officers and all resolutions of general meetings and of meetings of directors and committees.

**30.2** The minutes of any meeting of the directors or of any committee or of the company, and of resolutions in pursuance of article 28.5, if purporting to be signed by the chairman of the meeting or by the chairman of the next succeeding meeting of directors or the company, as the case may be, and any extract from

such minutes or extract from any resolution in writing passed in terms of article 28.5, if signed by any director or by the secretary or by any duly authorised person acting in the place of the secretary, shall be receivable as evidence of the matters stated in such minutes or extracts.

### **31.0 Borrowing powers**

- 31.1** From time to time the directors may borrow or raise for the purposes of the company such sums as they deem fit.
- 31.2** The directors may raise or secure the payment or repayment of such moneys in such manner and upon such terms and conditions in all respects as they think fit, and in particular by mortgage bond.
- 31.3** The directors shall cause a proper register to be kept in accordance with the provisions of the Act of all mortgages and charges specifically affecting the property of the company, and they shall cause to be entered in such register in respect of each mortgage or charge a short description of the property mortgaged or charged, the amount of the charge created, the name of the mortgagee or person entitled to such charge and such further particulars as the provisions of the Act require.

### **32.0 Seal**

The company may be provided with a seal, on which its name shall be engraved in legible characters. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the directors, and the secretary or such other person as the directors may appoint for the purpose shall sign every instrument to which the seal of the company is so affixed. Save as provided for in 9.2, all signatures on such instruments shall be autographic. Every instrument to which the seal of the company is so affixed, and which is so signed, shall be binding on the company. The directors may from time to time grant power to such persons as may be nominated by them to use the company's official seal in a foreign country on such terms as they may think fit.

### **33.0 Dividends**

- 33.1** Subject to the provisions of the Act and the requirements of the JSE, the company may make payments to its members (or any of its members) from time to time and, in particular any payment envisaged in terms of section 90 of the Act.
- 33.2** The company in general meeting (subject to obtaining the declaration of the directors referred to in article 33.10) or the directors may declare a dividend to be paid or make any other payment to the members in proportion to the number of shares held by them in each class.
- 33.3** Dividends shall be declared payable to members recorded in the register as such at a date which shall be not less than 15 (fifteen) days after the date of publication of the announcement of the declaration of the dividend on the basis that the register of members may not be closed between the date of publication of such announcement and the record date for the payment of the dividend.
- 33.4** A dividend shall only be paid to a member entitled thereto unless the directors in their absolute discretion agree (or anyone else nominated by them for the purpose of this sub-article agrees) in any particular case and for the period which they deem fit (or he deems fit) to a dividend being paid to anyone else on the written instructions of that member.
- 33.5** All dividends on the 5,5% cumulative preference shares allotted by the company shall be declared as being payable in the currency of the United Kingdom.
- 33.6** The dividends on all other shares allotted from time to time by the company shall be declared as being payable in the currency of the Republic, but any such declaration may provide, in the case of any member whose address in the register is shown as being outside the Republic and who has requested the company in writing to make payment of any dividend to which that member is entitled at an address outside the Republic and in the currency of the country in which that member's address is shown in the register and whose request is approved by the directors (or anyone nominated by them for that purpose) and provided the approval to the extent required, of the South African exchange control authorities is given thereto, then that dividend shall be paid in the currency in question and on a date ("the currency conversion date") upon which a provisional rate of exchange shall be determined and at which the currency of the Republic shall be converted into that other currency but which currency conversion date shall be not earlier than the date on which the dividend is declared and not later than the date on which the dividend is to be paid.

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- 33.7** If, in the opinion of the directors (which shall not be challenged by the company or by its members):
- 33.7.1** there is no material difference between the applicable rate of exchange ruling in the Republic on the date on which a dividend is to be paid and the provisional rate of exchange on the currency conversion date as determined in terms of sub-article 34.6, then the currency of the Republic may be converted into the other currency referred to in sub-article 33.6 at that provisional rate of exchange;
  - 33.7.2** there is any material difference between that applicable rate of exchange ruling in the Republic on the date on which that dividend is to be paid and the provisional rate of exchange on the currency conversion date as determined in terms of sub-article 34.6, then the currency of the Republic may be converted into the other currency referred to in sub-article 33.6, at a telegraphic transfer rate of exchange which, in the opinion of the directors (or the person nominated by them for that purpose), is not materially different.
- 33.8** If and so far as in the opinion of the directors the profits of the company justify it, they may declare:
- 33.8.1** on the dates prescribed for payment the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates;
  - 33.8.2** an interim dividend to the holders of any other class of shares of the amount and payable on the date which they deem fit.
- 33.9** No larger dividend or other payment to members shall be declared by the company in general meeting than is recommended by the directors, but the company in general meeting may declare a dividend or other payment which is the same as or smaller than that recommended by the directors.
- 33.10** Subject to the requirements of the JSE, the declaration of the directors as to whether:
- 33.10.1** the company is, or would after the payment be, able to pay its debts as they become due in the ordinary course of business;
  - 33.10.2** the consolidated assets of the company, fairly valued, would, after the dividend or other payment, not be less than the consolidated liabilities of the company,
- shall be conclusive.
- 33.11** Any dividend so declared or other payments approved may with the sanction of a general meeting be paid and satisfied, either wholly or in part, by the distribution of specific assets and, in particular, of paid-up shares or debentures of any other company, or in cash or in any one or more of such ways as the company in general meeting or the directors may at the time of declaring the dividend or approving the payment determine and direct, and where any difficulty arises in regard to the distribution the directors may settle the same as they think expedient, and in particular may fix the valuation for distribution of such specific assets or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such assets in trustees upon such trusts for the persons entitled to a dividend or other payment as may seem expedient to them. In addition, if as a result of the declaration of a dividend any members become entitled to fractions of any specific assets of the company, the directors shall round such fractions up or down, as the case may be, to the nearest full number of shares or debentures to determine their participation in such dividend.

#### **34.0 Payment of dividends**

- 34.1** All dividends, interest or other moneys payable to the registered holder of shares may be paid by cheque, electronically or otherwise as the directors may from time to time determine, and may be sent by post to the last registered address requested by him, or, in the case of joint holders, to that one of them first named in the register in respect of such joint holdings; and the payment of such cheque or warrant shall be a good discharge to the company in respect thereof. For the purpose of this article, no notice of change of registered address or instructions as to payment being made at any other address which is received by the company on or before last day to trade for the dividend or return of capital and which would have the effect of changing the currency in which such payment would be made, shall become effective until after such date of payment.

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- 34.2** The company shall not be responsible for the loss in transmission of any cheque, warrant or other document sent through the post either to the registered address of any member or to any other address requested by him.
- 34.3** A member's legal representative shall be entitled to give an effective receipt for any dividend payable on or in respect of that share. If 2 (two) or more persons are registered or legally entitled to a share as the joint holders thereof, then any one of them may give a receipt for any dividend paid in respect of that share.
- 34.4** All unclaimed dividends or any other amounts payable by the company on or in respect of a share shall be retained by the company and may be invested or otherwise made use of by the directors for the benefit of the company until claimed. Any dividend which is unclaimed for a period of 3 (three) years from the date on which it becomes payable by the company may be forfeited by a directors' resolution to that effect for the benefit of the company and in that event shall revert to the company, and the member concerned shall no longer be entitled thereto.
- 34.5** No dividend shall bear interest against the company.

## **35.0 Capitalisation**

- 35.1** The directors may transfer the amounts which they deem fit out of the company's profits and which are available for distribution as a dividend to any one or more reserves nominated by them for that purpose, divide any reserve so created into any one or more of those reserves or consolidate any one or more of those reserves.
- 35.2** The company in general meeting (subject to obtaining the declaration of the directors referred to in article 33.10) or the directors may at any time and from time to time pass a resolution to capitalise any sum forming part of the undivided profits standing to the credit of the company's reserve fund, or any sum in the hands of the company and available for dividend, or any sum carried to reserve as the result of a sale or revaluation of the assets of the company or any part thereof, or any sum received by way of premium on the issue of any shares, debentures or debenture stock of the company. Such resolution may provide that any such sum or sums shall be set free for distribution and be appropriated to and amongst the members either with or without deduction for income tax, pro rata according to their rights and shareholdings in such manner as the resolution may direct; provided that no such distribution shall be made by the company unless recommended by the directors, and the directors shall, in accordance with such resolution, apply such sum or sums in paying up shares, debentures or debenture stock of the company and appropriate such shares, debentures or debenture stock to or distribute the same amongst the holders of such shares rateably according to their shareholding thereof respectively as aforesaid, or shall otherwise deal with such sum or sums as provided for in such resolution.
- 35.3** Where any difficulty arises in respect of such distribution the directors may settle the same as they think expedient (but they may not issue fractional certificates, and fractions which would otherwise have been distributed, shall be rounded up or down, as the case may be, to the nearest full number), fix the value for distribution of any fully paid shares, debentures or debenture stock, make cash payments to any holders of shares on the footing of the value so fixed in order to adjust rights, and vest any shares or assets in trustees upon such trust or the persons entitled in the appropriation or distribution as may seem just and expedient to the directors. When deemed requisite a contract shall be entered into and filed in accordance with the Act, and the directors may appoint any person to sign such contract on behalf of the persons entitled in the appropriation or distribution, and such appointments shall be effective and the contract may provide for the acceptance by the holders of the shares to be allotted to them respectively in satisfaction of their claims in respect of the sum so capitalised.
- 35.4** The directors shall be entitled to grant to the shareholders the right to elect to receive scrip dividends in lieu of cash dividends or a cash dividend in lieu of capitalisation or bonus shares.
- 35.5** If at the date of the resolution referred to in sub-article 35.2 any share is under option to any employee (which includes any ex-employee, director or ex-director of the company or of any company which is or was its subsidiary or which is or was in any way associated with it or any of its subsidiaries) in terms of any share option scheme or any other similar share-based scheme established from time to time by the company, then the provisions set out below in this article 35.5 shall apply.

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- 35.5.1** The amount which is recommended to be capitalised in terms of sub-article 35.2 shall be increased to the extent necessary to provide the amount which would have been capitalised if each of those employees had exercised his option in full before that capitalisation is carried out and had been a member at the date on which that capitalisation issue had been effected in respect of the shares which would have been allotted as a result of his exercise of that option and therefore the resolution passed at that general meeting in respect of that capitalisation issue shall provide accordingly.
- 35.5.2** The shares which are placed under the control of the directors for the purpose of that proposed capitalisation issue shall be increased by that number of shares which would have been allotted (credited as fully paid) if each of the employees in question had exercised his said option in full before that capitalisation issue was carried into effect and had been a member at the date on which that capitalisation issue is carried into effect in respect of the shares which have been so allotted to him.
- 35.5.3** The directors shall capitalise the additional amount referred to in 35.5.1 when and to the extent, pro tanto, to which each employee exercises his said option and shall credit that amount in the meantime, to a special reserve created for the purpose and which may only be used in terms of sub-articles 35.5.4 and 35.5.5.
- 35.5.4** Immediately after the allotment of one or more shares to an employee who exercises his said option, the directors shall allot (credited as fully paid), by the capitalisation of that part of the special reserve created in terms of 35.5.3 which is required therefore, that number of shares to that employee which are required to place him in the same position as he would have been had that exercise of his said option been made prior to that capitalisation issue and had he been a member of the company in respect of the shares for which his said option is exercised at the date upon which it was carried into effect.
- 35.5.5** Should that employee's said option lapse or be cancelled, then the amount credited to the special reserve in terms of 35.5.3 shall be re-transferred to the account from which it was originally transferred in terms of sub-articles 35.2 and 35.3.
- 35.5.6** Any director of the company who is an "employee" for the purposes of this sub-article, notwithstanding his interest in the proposed capitalisation issue and any provisions to the contrary in this sub-article, shall be entitled to be included in the quorum for a meeting of directors at which any resolution to give effect to this sub-article will be proposed and to vote on any such resolution.

## **36.0 Reserve fund**

- 36.1** The directors may, before declaring or recommending any dividends, set aside out of the amount available for dividends such sum as they think proper as a reserve fund or as an addition thereto. The directors may divide the reserve fund into such special funds as they think fit, with full power to employ the assets constituting such fund or funds in the business of the company, or may invest the same upon such investments (other than shares of the company) as they may select, without being liable for any depreciation of or loss in consequence of such investments whether the same be usual or authorised investments for trust funds or not.
- 36.2** The reserve fund shall, at the discretion of the directors, be available for the equalisation of dividends or for making provision for exceptional losses, expenses or contingencies, or for the extension or development of the company's business, or for writing down the value of any of the assets of the company, or for repairing, improving and maintaining any buildings, plant, machinery or works connected with the business of the company, or to cover the loss in wear and tear or other depreciation in value of any property of the company, or for any other purpose to which the profits of the company may be properly applied; and the directors may at any time divide among the members by way of bonus, or special dividends, any part of the reserve funds which they, in their discretion, may determine not to be required for the purposes aforesaid.

### 37.0 Accounts

- 37.1** The directors shall cause to be kept such books of account as are prescribed by the Act. The books of account shall be kept at the office, or at such other place or places as the directors think fit, and such books shall always be open to the inspection of the directors.
- 37.2** From time to time the directors shall determine whether, and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members.
- 37.3** No member (other than a director) shall have any right to inspect any account or book or document of the company, except as conferred by the Act or as authorised by the directors, or as authorised by a resolution of the company in general meeting.
- 37.4** From time to time and pursuant to the provisions of the Act, the directors shall cause to be prepared, and to be laid before the company in general meeting, such annual financial statements and reports as are required by the Act.
- 37.5** The directors shall cause to be prepared interim reports which shall be sent to every member.
- 37.6** Pursuant to the provisions of the Act, a copy of every annual financial statement which is to be laid before the company in general meeting shall be delivered or sent by post to the registered address of every member and debenture holder or other person entitled to receive notice of general meetings of the company at the same time and in the same manner as notices of annual general meetings are given to members in terms of these presents. At the same time copies of the said documents shall be forwarded to any stock exchange on which the shares are listed or quoted.

### 38.0 Audit

- 38.1** The provisions of the Act shall be complied with in connection with the appointment of an auditor or auditors.
- 38.2** Subject to the provisions of the Act the auditors shall hold office until the conclusion of the next annual general meeting of the company.
- 38.3** Any casual vacancy occurring in the office of the auditor may be filled by the directors, but while such a vacancy continues the surviving and continuing auditor or auditors (if any) may continue to act.
- 38.4** The remuneration of the auditors shall be fixed by agreement with the company.
- 38.5** At least once in every financial year of the company, the auditors shall examine the accounts of the company, and shall certify the correctness of the annual financial statements, group annual financial statements, if any, and group reports, if any, and, pursuant to the provisions of the Act, shall make a report to the members.
- 38.6** The auditors shall be supplied with copies of the annual financial statements, group annual financial statements, if any, and group reports, if any, of the company which may be required or intended to be laid before the company in general meeting. The auditors shall at all reasonable times have access to the books and accounts and vouchers of the company and also shall have all the further rights conferred upon them by the provisions of the Act.
- 38.7** Every annual financial statement and group annual financial statement, when audited and approved by an annual general meeting, shall be deemed conclusively correct and shall not be re-opened, unless any error is discovered within three (3) months after the approval thereof, in which case the accounts shall be corrected forthwith and thenceforth shall be deemed conclusively correct.

### 39.0 Notices

- 39.1** Subject to the provisions of these articles and to the requirements of the JSE, any notice which is required to be given to members, beneficial holders or directors shall be in writing and may be given to:
- 39.1.1** any member, beneficial holder or director who has notified the company of his electronic mail address or telefacsimile number for this purpose, by sending such notice; or



#### **40.0 Conversion of shares into stock**

- 40.1** The company, by special resolution, may convert any paid-up shares into stock, and may re-convert any stock into paid-up shares of any denomination, and, by such a resolution may provide that any shares, when they are issued and fully paid-up, shall be converted automatically into stock.
- 40.2** When any shares have been converted into stock, the several holders of such stock may transfer their respective interests therein, or any part of such interest, in such manner as the company in general meeting shall direct, but in default of any such direction then in the same manner, and subject to the same regulations, as and subject to which any paid-up shares may be transferred, or as near thereto as circumstances will permit. From time to time the directors, if they think fit, may fix the minimum amount of stock transferable, which shall not exceed the nominal amount of the shares from which the stock arose and may direct that fractions of such minimum shall not be dealt with nor may at their discretion waive such rules in any particular case.
- 40.3** The stock shall confer on the holders respectively the same privileges and advantages as regards participation in profits and voting at meetings of the company, and for other purposes, as would have been conferred by shares of equal amount, but so that none of such privileges or advantages, except the participation in the profits of the company, shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privileges and advantages.
- 40.4** Such of the articles as are applicable to paid-up shares shall apply to stock.

#### **41.0 Controlled companies**

If the company is a controlling company as defined in the Act, the directors' report attached to each annual balance sheet issued by the company pursuant to the Act shall disclose full details of all special resolutions and all resolutions passed at extraordinary meetings of the company's controlled companies since the date of the directors' report attached to the previous annual balance sheet of the company.

#### **42.0 Indemnity**

- 42.1** Subject to the provisions of the Act, every director, manager, secretary and other officer or servant of the company shall be indemnified by the company against all costs, losses and expenses which any such officer or servant may incur, or become liable to, by reason of any contract entered into or act or deed done by him either as such officer or servant, or in any way in the discharge of his duties. It shall be the duty of the directors to pay any such costs, losses and expenses out of the funds of the company.
- 42.2** Subject to the provisions of the Act, no director, manager, secretary or other officer or servant of the company shall be liable for the acts, receipts, neglects or defaults of any other director or officer or servant, for joining in any receipt or other act of conformity or for loss or expense happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors, any security in or upon which any of the moneys of the company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or delictual acts of any person with whom any moneys, securities or effects shall be deposited or for any loss or damage occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office, or in relation thereto, unless the same happen through his own negligence or dishonesty.

#### **43.0 Authorised capital and preference shares**

- 43.1** The authorised capital of the company is R186 000 000 (one hundred and eighty six million rand) divided into:
- 43.1.1** 3 000 000 (three million) 5,5% cumulative preference shares of R2 (two rand) each; and
- 43.1.2** 180 000 000 (one hundred and eighty million) ordinary shares of R1 (one rand) each.
- 43.2** The said preference shares carry the following special rights and are subject to the following special restrictions:
- 43.2.1** They confer upon the holders thereof the right to receive out of the profits of the company which it shall from time to time be determined to distribute a fixed cumulative preferential dividend at the rate of 5,5% per annum on the capital for the time being paid up or credited

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as paid up thereon in priority to any payment of dividends to the holders of the ordinary shares in the capital of the company and the right on a winding-up to have the capital paid up or credited as paid up thereon together with a premium of 1 (one) shilling per share (in the currency of the United Kingdom) and a sum equal to any arrears or deficiency of the fixed dividend thereon calculated down to the date of the return of capital (and payable irrespective of whether such dividend has been declared or earned or not) paid off in priority to any payment-off of capital on the ordinary shares but shall not confer any further right to participate in the profits or assets of the company.

- 43.2.2** The dividend on the said preference shares shall be payable half-yearly on 15 June and 15 December in every year in respect of the six months ending on those dates.
- 43.2.3** For the purpose of sub-articles 43.2.1 and 43.2.2, all payments of dividends and all payments to be made in respect of the said preference shares on a winding-up shall be made in the currency of the United Kingdom and calculated as though the said preference shares were shares of £1 (one pound) (in the currency of the United Kingdom).



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