NOTICE OF ANNUAL GENERAL MEETING
(“AGM” OR “THE MEETING”)
## DIRECTORS’ FEES

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BOARD</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Chairman</td>
<td>1 218 470</td>
<td>1 291 578</td>
</tr>
<tr>
<td>1.2 Non-executive Directors</td>
<td>235 320</td>
<td>249 439</td>
</tr>
</tbody>
</table>

| **AUDIT COMMITTEE**    |          |          |
| 1.3 Chairman           | 200 022  | 212 023  |
| 1.4 Members            | 100 064  | 106 068  |

## OTHER BOARD COMMITTEES

<p>| | | |</p>
<table>
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<tr>
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<tbody>
<tr>
<td>1.5 Chairman</td>
<td>129 532</td>
<td>137 304</td>
</tr>
<tr>
<td>1.6 Members</td>
<td>64 766</td>
<td>68 652</td>
</tr>
<tr>
<td>1.7 Meeting attendance fee</td>
<td>10 750</td>
<td>11 400</td>
</tr>
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</table>

## ORDINARY RESOLUTION NUMBER 8

### AMENDMENT OF THE COMPANY’S LONG-TERM INCENTIVE PLAN

Resolved that the Company’s Long-term Incentive Plan ("Plan"), as approved and adopted by shareholders on 28 May 2012, be and is hereby amended by the deletion of paragraph 21.3 thereof.

Paragraph 21.3 relates to a provision in the Plan which, in event of a Change of Control, allows Participants to resign within one year of the Change of Control and retain all previous awards under the Scheme. The Directors believe that the removal of the clause protects shareholder interests in the event of a Change of Control.

The full Plan document is available for inspection during normal business hours at AECI’s registered office, from the date of issue of this Notice.

In terms of the JSE Listings Requirements, 75% of the votes cast by shareholders present or represented by proxy at the AGM must be cast in favour of this ordinary resolution Number 8 for it to be approved.

## SPECIAL RESOLUTIONS NUMBERS 1.1 TO 1.7

### DIRECTORS’ FEES

Resolved that the annual fees payable by the Company to its Non-executive Directors, with effect from 29 May 2018, be approved as set out in the table above.

### EXPLANATORY NOTE

Section 66(9) of the Companies Act No. 71 of 2008, as amended ("Companies Act") requires that a company may pay to its Directors, for their services as Directors, only in accordance with a special resolution approved by shareholders within the previous two years.

The reason for and effect of special resolutions numbers 1.1 to 1.7 is to grant the Company the authority to pay fees or remuneration to its Non-executive Directors for their services as Directors.

Each of the special resolutions numbers 1.1 to 1.7 will be considered by way of a separate vote.

### SPECIAL RESOLUTION NUMBER 2

### GENERAL AUTHORITY TO REPURCHASE SHARES

Resolved that the Company be and is hereby granted a general authority authorising the acquisition by the Company or its subsidiaries of shares issued by the Company, on such terms and conditions and in such amounts as the Directors of the Company may from time to time deem fit, and in terms of section 48(B) of the Companies Act, the Company’s MOI and the JSE Listings Requirements provided that:

- subject to section 48 of the Companies Act, the general authority to repurchase is limited to a maximum of 5% in the aggregate, in any one financial year, of the Company’s issued share capital at the beginning of the financial year, provided that the number of shares purchased and held by or for the benefit of a subsidiary or subsidiaries of the Company, taken together, shall not exceed 10% in the aggregate of the number of issued shares in the Company;
- this general authority shall only be valid until the Company’s next AGM, provided that it shall not extend beyond 15 months from the date of adoption of this special resolution;
- a resolution has been passed by the Board of Directors ("the Board") confirming that the Board has authorised the general repurchase, that the Company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Company;
- repurchases may not be made at a price greater than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date on which the transaction is effected. The JSE should be consulted for a ruling if the Company’s securities have not traded in such a five business day period;
- any such general repurchase is subject to exchange control regulations and approval at that point in time;
- the repurchase of securities will be effected through the order book operated by the JSE’s trading system and done without any prior understanding or arrangement between the Company and the counter-party (reported trades are prohibited);
- at any point in time, a company may only appoint one agent to effect any repurchases on that company’s behalf;
- an announcement giving such details as may be required in terms of the JSE Listings Requirements be released when the Company has cumulatively repurchased 5% of the initial number of the relevant class of shares in issue as at the time this resolution is passed ("initial number") and for each 3% in aggregate of the initial number of that class acquired thereafter;
the Company or its subsidiaries may not repurchase securities during a prohibited period as defined in the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed to the JSE, in writing, prior to the commencement of the prohibited period. The Company or its subsidiaries have instructed an independent third party, which makes its investment decisions in relation to the Company’s securities independently of, and uninfluenced by, the Company or its subsidiaries, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.

EXPLANATORY NOTE
At the present time, the Directors have no specific intention with regard to the utilisation of this authority, which will only be used if the circumstances are appropriate.

The Company’s Directors undertake that they will not effect any such repurchases while the general authority is valid, unless:

(i) the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months following the date of the general repurchase;

(ii) the assets of the Company and the Group will exceed the liabilities of the Company and the Group for a period of 12 months following the date of the general repurchase; for this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies applied in the Company’s latest audited annual Group financial statements;

(iii) the Company and the Group will have adequate share capital and reserves for ordinary business purposes for a period of 12 months following the date of the general repurchase, and

(iv) the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months following the date of the general repurchase.

The reason for and effect of special resolution number 2 is to grant the Company a general authority to facilitate the acquisition of the Company’s own shares, which general authority shall be valid until the earlier of the next AGM of the Company or the variation or revocation of such general authority by special resolution by any subsequent General Meeting of the Company, provided that this general authority shall not extend beyond 15 months from the date of adoption of this special resolution.

Such general authority will provide the Directors with flexibility to effect a repurchase of the Company’s shares, should it be in the interests of the Company to do so at any time while the general authority is in force.

SPECIAL RESOLUTION NUMBER 3
FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANY
Resolved that, in terms of and subject to the provisions of section 45 of the Companies Act, the Directors of the Company be and they are hereby authorised and empowered to cause the Company to provide any direct or indirect financial assistance to any company or other legal entity which is related or inter-related to the Company.

EXPLANATORY NOTE
On a regular basis, and in the ordinary course of business, the Company provides loan financing, guarantees and other support to the related and inter-related companies or legal entities in the Group. Section 45(2) of the Companies Act empowers the Board of a company to provide direct or indirect financial assistance to a related or inter-related company or corporation. However, section 45(3) of the Companies Act provides that the Board of a company may only authorise any financial assistance contemplated in section 45(2) thereof pursuant to a special resolution of the shareholders of the company adopted within the previous two years.

The Board undertakes that:

(i) it will not adopt a resolution to authorise such financial assistance, unless it is satisfied that:

› immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Companies Act; and

› the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and

(ii) written notice of any such resolution by the Board shall be given to all shareholders of the Company and any trade union representing its employees;

› within 10 business days after the Board adopted the resolution if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds one-tenth of 1% of the Company’s net worth at the time of the resolution; or

› within 30 business days after the end of the financial year, in any other case.

The reason for and effect of special resolution number 3 is to grant the Directors of the Company the authority to cause the Company to provide financial assistance to any company or other legal entity which is related or inter-related to the Company.

RECORD DATE
The Board has, in terms of section 59(1)(a) of the Companies Act, set the record date, for the purpose of determining which shareholders of the Company are entitled to receive Notice of the AGM as being Friday, 20 April 2018 and has, in terms of section 59(1)(b) of the Companies Act, set the record date, for purposes of determining which shareholders of the Company are entitled to participate in and vote at the AGM, as being Friday, 25 May 2018. Accordingly, the last day to trade in order to be registered in the register of shareholders of the Company and therefore eligible to participate in and vote at the AGM is Tuesday, 22 May 2018.
**APPROVALS REQUIRED FOR RESOLUTIONS**

Ordinary resolutions numbers 1 to 7 contained in this Notice of AGM require the approval by more than 50% of the votes exercised on the resolutions by shareholders present or represented by proxy at the AGM, subject to the provisions of the Companies Act, the MOI of the Company and the JSE Listings Requirements.

Ordinary resolution number 8 and special resolutions numbers 1 to 3 contained in this Notice of AGM require the approval by at least 75% of the votes exercised on the resolutions by shareholders present or represented by proxy at the AGM, subject to the provisions of the Companies Act, the MOI of the Company and the JSE Listings Requirements.

**GENERAL INFORMATION**

The following additional information appears elsewhere in the integrated report of which this Notice forms part:

(i) Major shareholders of the Company (refer to the shareholder analysis commencing on page 109);

(ii) Share capital of the Company (refer to the Directors’ report commencing on page 106).

**NO MATERIAL CHANGES TO REPORT**

There have been no material changes in the financial or trading position of the Company and its subsidiaries since the date of signature of the Independent Auditor’s report and the date of this Notice.

**DIRECTORS’ RESPONSIBILITY STATEMENT**

The Directors whose names appear on pages 14 to 17 in the integrated report of which this Notice forms part collectively and individually accept full responsibility for the accuracy of the information contained in these resolutions and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and these resolutions contain all information required by the JSE Listings Requirements.

**VOTING AND PROXIES**

Shareholders or their proxies may participate in the AGM by way of a teleconference call and, if they wish to do so:

- should make application by email to the Group Company Secretary (nomini.rapoo@aeci.co.za) by no later than 09h00 on Tuesday, 29 May 2018 in order for the Group Company Secretary to provide the shareholder or such shareholder’s representative with details as to how to access the AGM for telephonic participation;

- the costs of enabling a shareholder to access the AGM for telephonic participation will be borne by the shareholder so accessing the AGM;

- shareholders are advised that accessing the AGM by way of telephonic participation will not entitle a shareholder to vote at the AGM, and

- should a shareholder wish to vote at the AGM, such shareholder may do so by attending and voting at the AGM either in person or by proxy.

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration are entitled to attend and vote at the AGM and are entitled to appoint a proxy or proxies (for which purpose a form of proxy is included) to attend, speak and vote in their stead. The person so appointed need not be a shareholder of the Company.

Forms of proxy must be lodged with the Company’s Transfer Secretaries, Computer-share Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to the Transfer Secretaries at PO Box 61051, Marshalltown, 2107, or emailed to proxy@computershare.co.za. Any forms of proxy not received in advance must be handed to the Chairman of the AGM immediately prior to the AGM.

Proxy forms must only be completed by shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration.

All resolutions shall be decided on a poll and every shareholder of the Company shall have one vote for every share held in the Company by such shareholder.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, must contact their Central Securities Depository Participant ("CSDP") or stockbroker in the manner and time stipulated in their agreement:

- to furnish their CSDP or stockbroker with their voting instructions; and

- in the event that they wish to attend the AGM, to obtain the necessary authority to do so with a letter of representation in terms of the custody agreement. Such letter of representation must be lodged with the Company’s Transfer Secretaries, Computer-share Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to the Transfer Secretaries at PO Box 61051, Marshalltown, 2107, or emailed to proxy@computershare.co.za.

All participants at the AGM will be required to provide identification reasonably satisfactory to the Chairman of the AGM (which may take the form of a valid identity document, driver’s licence or passport, for example).

By order of the Board

Nomini Rapoo
Group Company Secretary
Woodmead, Sandton
11 April 2018