

THIS DOCUMENT (THE "CIRCULAR") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if you are not in the United Kingdom, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in Tiso Blackstar Group SE ("**Shares**"), please immediately forward this Circular to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Shares, please immediately contact your stockbroker, bank or other agent through whom the sale or transfer was effected.

Tiso Blackstar Group SE

(the "**Company**" or "**Tiso Blackstar**")
(Registered in Malta with registered number SE4)

**Proposed adoption of new articles of association and
management incentive scheme**

Approval of Takeover Code Rule 9 Waiver

Notice of Extraordinary General Meeting

Notice of the Extraordinary General Meeting, which is to be held at 3rd Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta at 10:00a.m. (CEST)/10:00a.m. (SAST) on 20 June 2017, is set out on pages 87-90 of this document.

Copies of this document, the Form of Proxy and the Form of Direction are available to view, download and print on the "Publications" section of the Company's website at www.tisoblackstar.com and are also available for collection, free of charge, during normal business hours on any Business Day up until close of the Extraordinary General Meeting from the offices of the Company at 3rd Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta, and at Berkeley Square House, Berkeley Square, London W1J 6BD, England. Unless you have sold or transferred all your Shares, you are recommended to retain this Circular for reference.

The Form of Proxy or Form of Direction should be completed and returned to the Company's Registrars in accordance with the instructions printed on it as soon as possible.

Certificated Shareholders and own-name registered dematerialised Shareholders on the South African register are recommended to send their signed Form of Proxy to the Company's South African transfer secretaries, Link Market Services South Africa Proprietary Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) to be received by no later than 15 June 2017 at 10:00a.m. (SAST).

Dematerialised Shareholders on the South African register, other than own-name registered dematerialised shareholders, who wish to attend the Extraordinary Meeting in person will need to request their Central Securities Depository Participant ("**CSDP**") or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such shareholder and their CSDP or broker. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the EGM and who wish to be represented thereat must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such shareholder and their CSDP or broker in the manner and time stipulated therein. The CSDP or broker must provide all voting instructions to the transfer secretaries by no later than 10:00a.m. (SAST) on 15 June 2017.

Certificated Shareholders who trade their shares on AIM of the London Stock Exchange and are registered on the AIM part of the register of members are strongly urged to send their signed Form of Proxy to Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU to be received by no later than 09:00a.m. (BST) on 16 June 2017, so as to enable the Form of Proxy to be forwarded on their behalf to the Company.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Notice of the Extraordinary General Meeting of the Company including the New Articles of Association, the New Management Incentive Scheme and the Forms of Proxy and the Forms of Direction for the Extraordinary General Meeting issued to Shareholders	26 May 2017
Time by which holders of Depository Interests who wish to attend the Extraordinary General Meeting are requested to provide their letter of corporate representation to the Depository, Capita IRG Trustees (Nominees) Limited	09:00a.m. BST, on 12 June 2017
Latest time for issuer's agent RA10 to receive any message from holders of Depository Interests wishing to instruct the Depository or to amend an instruction to a previously submitted direction via the CREST system	09:00a.m. BST, on 14 June 2017
<i>For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message.</i>	
Latest time for Forms of Direction and the powers of attorney or other authority (if any) under which they are signed to be delivered to Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by post	09:00a.m. BST, on 14 June 2017
Latest time by which dematerialised Shareholders registered on the South African register (other than own-name registered dematerialised shareholders) who wish to attend the Extraordinary General Meeting are required to provide a copy of their letter of representation to the Company	10:00a.m. SAST, on 15 June 2017
Latest time by which signed Forms of Proxy from certificated Shareholders and own-name registered dematerialised shareholders who are registered on the South African register should reach Link Market Services South Africa Proprietary Limited	10:00a.m. SAST, on 15 June 2017
Latest time by which signed Forms of Proxy from certificated Shareholders who are registered on the London Register should reach Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by post or by hand.	09:00a.m. BST, on 16 June 2017
For dematerialised Shareholders registered on the South African register, the latest time by which the CSDP or broker must provide all voting instructions to the transfer secretaries	10:00a.m. SAST, on 15 June 2017
Latest time by which signed Forms of Proxy (other than those referred to above) must reach the Company	10:00a.m. CEST, on 15 June 2017
Extraordinary General Meeting	10:00a.m. CEST/10:00 a.m. SAST, on 20 June 2017
Anticipated time for completion of the migration of the Company from Malta to the UK	23 June 2017

The times and dates set out in the expected timetable of principal events above, and mentioned in this document, may be adjusted by the Company and, if appropriate, details of the new times and dates

will be notified to the Shareholders by an announcement through a Regulatory Information Service ("**RIS**") and the Stock Exchange News Service of the JSE ("**SENS**").

DEFINITIONS

The following definitions apply throughout this Circular unless the context otherwise requires:

"AIM"	The Alternative Investment Market, a market of the LSE
"Altx"	the Alternative Exchange of the JSE
"Articles"	the articles of association of the Company as of the date of this Circular
"Board"	the board of directors of the Company, the administrative organ of the Company
"BST"	British Summer Time
"CEST"	Central European Summer Time
"Circular"	this Circular dated 26 May 2017
"Companies Acts"	the UK Companies Act 2006 and the South African Companies Act 2008, as amended
"Company" or "Tiso Blackstar"	Tiso Blackstar Group SE, a Societas Europaea registered and incorporated in Malta with registration number SE4
"Concert Party"	the concert party for the purposes of the Takeover Code as more particularly described in section 4 of Part I and section 3 of Part 5 of this Circular
"CREST"	the relevant system (as defined in the Securities Regulations) for the paperless settlement of security transfers and the holding of securities in Uncertificated Form in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Securities Regulations)
"December 2015 Articles"	the Articles of Association adopted conditional upon completion of the Transfer at the annual general meeting of the Company held on 23 December 2015
"Depository"	Capita IRG Trustees Limited
"Depository Agreements"	the agreement for the provision of depository and custody services in respect of the Depository Interests entered into on 11 May 2012 between the Company and the Depository
"Depository Interest"	a depository interest in respect of a Share
"Directors"	the directors of the Company, from time to time
"Euro" or "€"	the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty on European Union and the Treaty on the Functioning of the European Union.

"Extraordinary General Meeting" or "EGM"	the Extraordinary General Meeting of the Company to be held at 3rd Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805 at 10:00a.m. CEST on 20 June 2017 (and any adjournment thereof) for the purposes of considering the Resolutions, notice of which is set out at the end of this document
"Form of Direction"	the form of direction to be used by holders of Depository Interests in connection with the Extraordinary General Meeting which is contained in Section 4 of Part 4 of this Circular
"Form of Proxy"	the form of proxy to be used by Shareholders in connection with the Extraordinary General Meeting, which is contained in Section 3 of Part 4 of this Circular
"Group"	the Company and all of its subsidiaries
"Independent Directors"	all of the Directors with the exception of David Adomakoh and Nkululeko Sowazi
"Independent Shareholders"	all of the Shareholders with the exception of the members of the Concert Party
"JSE"	JSE Limited (registration no. 2005/022939/06), a public company incorporated in accordance with the laws of the Republic of South Africa licensed as an exchange under the Financial Markets Act 2012 of South Africa
"Latest Practicable Date"	24 May 2017, being the latest practicable date prior to the publication of this Circular
"Listing Requirements"	the listing requirements of the JSE as amended from time to time
"LSE" or "London Stock Exchange"	London Stock Exchange plc
"Main Board"	the main board of the JSE
"Malta"	The Republic of Malta
"New Articles"	the proposed new articles of association of the Company, a summary of which is set out in Part 2 of this Circular
"New Management Incentive Scheme" or "New MIS"	the proposed new management incentive scheme of the Company, a summary of which is set out in Part 3 of this Circular
"Northland Capital"	Northland Capital Partners Limited a company incorporated in the England and Wales with registered number 02617599, the nominated adviser and broker to the Company
"Notice of Extraordinary General Meeting"	the notice convening the Extraordinary General Meeting which is contained in Part 4 of this Circular

"Resolutions"	the resolutions to be proposed at the Extraordinary General Meeting
"Rule 9"	Rule 9 of the Code
"SAST"	South Africa Standard Time
"SE"	<i>Societas Europaea</i> or European Company, a public limited liability company created pursuant to the terms of the SE Regulation
"Securities Regulations"	The Uncertificated Securities Regulations 2001 (SI 2001/3755)
"Shares"	the ordinary shares in the Company of €0.76 each in the share capital of the Company
"Shareholders"	holders of shares of any class in the capital of the Company from time-to-time
"South Africa"	the Republic of South Africa
"Takeover Code" or "Code"	the UK City Code on Takeovers and Mergers
"Takeover Panel"	The UK Panel on Takeovers and Mergers
"Transfer"	the transfer of the registered office of the Company from Malta to the United Kingdom on the terms set out in the Transfer Proposal
"Transfer Proposal"	the proposal for the Transfer approved by the shareholders of the Company at the Annual General Meeting of the Company held on 23 December 2015
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"Waiver"	the waiver granted by the Takeover Panel of the obligation under Rule 9 of the Takeover Code that would otherwise arise on any member of the Concert Party as a result of the Company purchasing its own Shares
"£"	Pounds Sterling, the lawful currency of the United Kingdom

PART 1: LETTER FROM THE CHAIRMAN

26 May 2017

Proposed adoption of New Articles of Association and New Management Incentive Scheme

Approval for waiver of obligations under Rule 9 of the Takeover Code

Dear Shareholder,

1. INTRODUCTION

The Board has resolved to propose to Shareholders that the New Articles be adopted in place of the articles of association of the Company approved at the shareholder meeting held on 23 December 2015. The adoption of the New Articles is subject to shareholder approval, and is to take effect upon the completion of transfer of the Company's registered office from Malta to the United Kingdom, approved at the shareholder meeting held on 23 December 2015, which is now expected to complete in June this year (the "**Transfer**").

Tiso Blackstar is currently dual listed with a primary listing on AIM and a secondary listing on the Altx of the JSE. Upon completion of the Transfer, Tiso Blackstar intends to move its secondary listing on the Altx of the JSE to a dual primary listing on the Main Board of the JSE. The JSE requires certain amendments to be made to the December 2015 Articles in order to comply with the listing requirements of the JSE (the "**Listing Requirements**") before the Company is eligible for admission to the Main Board of the JSE.

Upon the Transfer becoming effective, the Takeover Code will apply to the Company as the equivalent of a public limited company with its registered office in the UK. Pursuant to Rule 9 of the Takeover Code, members of the Concert Party may be required to make a mandatory offer if their shareholdings increased as a result of the Company purchasing some or all of its Shares pursuant to the buy back authority approved at the last annual general meeting, further details of which are set out in section 4 on page 9 of this document. Accordingly, the Board has also resolved to seek the approval of Shareholders to a waiver granted by the Takeover Panel, conditional on the Transfer becoming effective, of the obligation under Rule 9 of the Takeover Code.

The Board has also resolved to propose to Shareholders that a new management incentive scheme, details of which are further set out below, be adopted, subject to shareholder approval of its adoption, from the date of the completion of the Transfer.

These proposals are described more fully in Sections 2 to 4 below.

2. OVERVIEW OF THE NEW ARTICLES

2.1. Reasons for the adoption of the New Articles

The Board has given careful consideration to the proposal that the Company adopt the New Articles.

The Board considers that the adoption of these New Articles is required by the Company so that it is in compliance with the Listing Requirements and is eligible for admission to the Main Board of the JSE.

2.2. Overview of the differences between December 2015 Articles and New Articles

A summary of the differences is set out at Part 2 to this Circular, but the principal changes are that:

- The Board may only offer, allot, grant options over or otherwise deal with or dispose of Shares in the Company provided such transactions have been approved by the JSE and comply with the Listings Requirements.
- Whereas in the UK, there are limited restrictions on the transferability of securities, the JSE requires the inclusion of a specific statement that the transferability of securities is not restricted.
- For so long as the Company has shares listed on an exchange operated by the JSE, a shareholders' meeting may not begin until at least 25 per cent. of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting are present or represented at the meeting, and a matter to be decided at the meeting may not begin to be considered unless at least 25 per cent. of all the voting rights are represented at the meeting.
- The Board must submit any proposed amendments to the New Articles to the JSE for approval in accordance with the Listings Requirements.

3. OVERVIEW OF THE NEW MIS

3.1. Reasons for adoption of the New MIS

The Company, as of 1 July 2016, no longer reports its financial results as an entity that: (i) obtains funds from one or more investors for the purpose of providing investment management services; (ii) its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and (iii) measures and evaluates the performance of its investments on a fair value basis (an "**Investment Entity**") and now consolidates the earnings of its underlying subsidiaries. The Board believes that the share price of the Company will be driven over time by the Company's consolidated earnings and cash flows, making the existing management incentive scheme redundant. As of 1 July 2016, the Board cancelled the existing incentive scheme and no further awards have been or will be made under it.

With the existing scheme being cancelled, the Board has given careful consideration to the proposal that the Company adopt the New MIS. Tiso Blackstar's businesses operate in competitive markets and rely on the skills of high calibre people so it must be able to retain and incentivise its key employees and align their objectives with those of Shareholders. It also requires incentive structures to attract further key people should the need arise. The New MIS is designed to align interests of the management of Tiso Blackstar and its employees with those of its Shareholders through rewarding long term value creation. It will be primarily used as an incentive to employees of the Company to deliver the Group's business strategy over the long term. It is to be adopted in order to incentivise, motivate and retain eligible employees.

3.2. Overview of the New MIS

The shares to be granted under the New MIS will be either: (i) performance shares in the form of regular annual awards, the vesting of which is subject to the satisfaction of performance conditions and continued employment with the Group in line with the Group's approach to performance related incentives (the remuneration committee will set appropriate performance conditions); or (ii) retention shares which will only be awarded in instances where the remuneration committee recognises key talent instrumental in delivering the Group's business strategy and the vesting of which is only subject to continued employment with the Group.

It is envisaged that participation in the New MIS will be limited to executives, senior management and other key employees selected by the Board.

The amount of shares awarded will be decided by the remuneration committee each time that awards of shares are made, by taking into account the limits within the Rules and the particular circumstances at that time e.g. company affordability, retention considerations, and exceptional company performance. Annual allocations will be benchmarked and set to a market-related level of remuneration whilst considering the overall affordability thereof to the Company.

4. RULE 9 WAIVER

Background

Under Rule 9 of the Takeover Code, any person that acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the Code) which, taken together with shares in which he or she is already interested and shares in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Rule 9 of the Takeover Code also provides that, among other things, where any person who, together with persons acting in concert with him or her, is interested in shares which in aggregate carry not less than 30 per cent. but does not hold more than 50 per cent. of the voting rights of such a company, and such person, or any person acting in concert with him or her, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he or she is interested, then such person is normally required to make a general offer to all the remaining shareholders to acquire their shares. Neither the Concert Party nor any member of it will be restricted from making an offer for the Company.

If a person (or group of persons acting in concert) holds interests in shares carrying more than 50 per cent. of a company's voting rights, that person (or any person(s) acting in concert with him) will normally be entitled to increase their holding of voting rights without incurring any further obligations under Rule 9 to make a mandatory offer, although individual members of the concert party will not be able to increase their percentage shareholding through or between a Rule 9 threshold without Takeover Panel consent.

An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Rule 37 of the Takeover Code and effect of share buy-back programme

Rule 37 of the Takeover Code provides that when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9. Rule 37 does not normally apply, however, unless the person who would otherwise be

required to make a mandatory offer under Rule 9 of the Code is a director of the company or is acting in concert with the directors of the company. The Concert Party members would therefore be subject to Rule 37.

At the annual general meeting of the Company held on 15 December 2016, shareholders granted authority to the board to purchase up to 26,722,333 Shares representing a maximum aggregate nominal value of Shares of 10 per cent. of the entire share capital of the Company as at 21 October 2016. Since that date, 1,444,424 Shares have been purchased and a total of 2,512,349 Shares are held in treasury.

Were the Company to use the full extent of the buy back authority before the annual general meeting to be held in 2017, and the Shares so purchased were held in treasury or cancelled, the shareholding of the Concert Party would increase from 35 per cent. of the total voting rights at present to 38 per cent. of the total voting rights then outstanding.

Accordingly, if the Concert Party's aggregate shareholding increased as a result of the Company's exercise of its buy back authority, the Concert Party would be required to make a mandatory offer, under Rule 9 of the Takeover Code, for the remainder of the Shares.

Waiver

The Takeover Panel has agreed that, conditional on the Transfer becoming effective and subject to the approval of the Independent Shareholders on a poll at a General Meeting, it will waive the obligation on any member of the Concert Party to make a general offer that would otherwise arise as a result of the exercise of the buy back authority, if Resolution 3 is approved at the EGM.

Accordingly, Resolution 3 is being proposed at the EGM and will be taken on a poll to be called by the Chairman of the EGM and to be passed by more than 50 per cent. of votes cast by Independent Shareholders at the EGM present in person or by proxy and voting at the EGM. The members of the Concert Party will not be entitled to vote on Resolution 3. Shareholders should note that, even if Resolution 3 is approved at the EGM, any further increase in the Concert Party's aggregate interest in Shares (other than pursuant to the exercise of the buy back authority) or an acquisition of further Shares by any member of the Concert Party or any person acting in concert with it, will be subject to the provisions of Rule 9.

The Waiver only applies to Shares bought back pursuant to the buy back authority. However, the Independent Directors anticipate that they will continue to seek Shareholder approval on an annual basis of the waiver of any Rule 9 obligation which may arise as a result of the exercise of any subsequent authority to buy back Shares in the Company.

Details of the Concert Party

Each of (i) Tiso Investment Holdings Proprietary Limited, (ii) Tiso Foundation Charitable Trust, (iii) David Kwame Tandoh Adomakoh and (iv) Nkululeko Leonard Sowazi are together considered to be acting in concert for the purposes of the Code (together the "**Concert Party**").

Further information on the Concert Party is set out in Part 5 of this Circular.

5. NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice of the Company's Extraordinary General Meeting that is to be held at the registered office of the Company at 3rd Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805 Malta on 20 June 2017 at 10:00a.m. (CEST)/10:00a.m. (SAST) is set out in Section 1 of Part 4 of this Circular.

The following items are included in Part 4 of this Circular:

- Section 2: An explanation of certain Resolutions at the EGM; and
- Section 3: A Form of Proxy (for use by registered Shareholders only); and
- Section 4: A Form of Direction (for use by holders of Depository Interests only to direct how the Depository exercises votes at the EGM on their behalf).

Shareholders and holders of Depository Interests are recommended to read the notes to the Notice of Extraordinary General Meeting as these set out other rights of Shareholders or holders of Depository Interests, as the case may be, and further requirements which they should check to ensure their Form of Proxy or Form of Direction (as the case may be) will be valid.

6. RECOMMENDATION

The Board considers that the proposals set out in this Circular, including the Resolutions 1 and 2 to be proposed at the Extraordinary General Meeting, are in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of Resolutions 1 and 2 to be proposed at the Extraordinary General Meeting, as they intend to do or procure in respect of their own beneficial holdings of Shares which in aggregate amount to 108,885,617 Shares representing approximately 40.58 per cent. of the Shares in issue as at the date of this Circular.

The Independent Directors, who have been so advised by Northland Capital, consider the Waiver to be fair and reasonable and in the best interests of Shareholders and the Company as a whole. In providing advice to the Independent Directors, Northland Capital has taken account of the commercial assessments of the Independent Directors. Accordingly, the Independent Directors recommend that Shareholders vote in favour of Resolution 3 to be proposed at the Extraordinary General Meeting, as they intend to do or procure in respect of their own beneficial holdings of Shares which in aggregate amount to 16,113,514 Shares representing approximately 6.01 per cent. of the Shares in issue as at the date of this Circular.

Yours faithfully,

David Adomakoh
Chairman

PART 2: SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN NEW ARTICLES AND DECEMBER 2015 ARTICLES

Article	Amendment
1.4 Enforceability	Each clause or sentence is separate and severable; if one is found to be illegal, unenforceable or inconsistent with Companies Acts or Listing Requirements, this will not affect the validity of other provisions
1.5 Obligation to Listing Requirements	Any obligation or requirement imposed pursuant only to the Listings Requirements will only apply for so long as shares in the Company are listed on an exchange regulated by the JSE.
3.2 Redeemable Shares	The Board may no longer determine the terms, conditions or manner of redemption of any redeemable share issued.
3.5 Shares	The Board may only offer, allot, grant options over or otherwise deal with or dispose of shares in the company provided that such transaction/s has/have been approved by the JSE (if necessary) and comply with the Listings Requirements.
3.8 Suspension of Rights where Non-Disclosure of Interest	Only shares not listed on an exchange operated by the JSE shall be subject to a suspension of rights where there has been a non-disclosure of an interest in shares in the Company.
4.1 Lien	Shares listed on an exchange operated by the JSE shall not be subject to any lien in favour of the Company.
5.8 Retention of dividends	The Directors may retain any dividend or bonus upon which the Company has a lien and may deduct from dividends or bonuses all claims or sums of money that may be due on account of calls.
7.1 Transfer of Shares	The transferability of securities is not restricted
7.6 Mandates to sign instruments of transfer	All mandates or authorities to sign instruments of transfer granted by Shareholders for the purpose of transferring shares listed on an exchange operated by the JSE shall be held in custody by the Company at its registered office. Such mandates or authorities shall be deemed to continue and remain in full force and effect, and the Board may allow such instruments of transfer signed for until express written notice of its revocation signed by or on behalf of the Shareholders is lodged at the Company's registered office.
9.3 Listings Requirements	When the provisions of the New Articles in respect of fractional shares apply to shares listed on an exchange operated by the JSE and subject to the Listings Requirements, the Board may only deal with fractions of these shares in accordance with the provisions of the Listings Requirements.

Article	Amendment
10.1 Notice of General Meetings	Written notice of the time and place of a meeting of Shareholders shall be sent to every shareholder entitled to receive notice of the meeting and to every director, secretary and auditor of the company and to the JSE not less than 15 business days before the date of the meeting and also announced via SENS. Where a non-electronic notice of general / annual general meeting, or annual financial statements, is to be distributed from the registered office of the Company, at least 20 business days' notice of such meeting must be given to all Shareholders entitled to thereto. Where such notice, or annual financial statements, is distributed electronically, by airmail or otherwise from a branch office in the Republic of South Africa, at least 21 days' notice must of such meeting must be given to all Shareholders entitled thereto. The notice of general meeting shall also be delivered to the JSE and announced through SENS.
11.1 Quorum	For as long as the Company has shares listed on an exchange operated by the JSE, a shareholders' meeting may not begin until at least 25 per cent. of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting, present or represented at the meeting to exercise, and a matter to be decided at the meeting may not begin to be considered unless at least 25 per cent. of all the voting rights that are entitled to exercise on that matter at the time the matter is called on the agenda, represented at the meeting to exercise. If the Company has more than two Shareholders then a shareholders' meeting may not begin, unless at least three shareholders are present or represented at the meeting and the requirements of articles 11.1.2 and 11.1.3 above are satisfied.
11.9 Convening of shareholder meetings	All shareholders' meetings that are called for in terms of the Listings Requirements must be held in person and not by written resolution.
11.10 Convening of shareholder meetings	There is no prohibition or restriction in the New Articles on the Company from calling any meeting for the purposes of adhering to the Listings Requirements.
13.2 Votes per share	Each share accords to the holder the right on a poll to exercise one vote per share held by that holder on any matter to be decided upon by the Shareholders of that class or the Shareholders, to the extent applicable
16.1 Number of Directors	The Directors shall be not less than four in number. If the number of Directors falls below four, the remaining Directors must fill the vacancies within three months. Only after the expiry of the three month period the remaining Directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of shareholders
16.5.2 Retirement of Directors by Rotation	At each annual general meeting one-third of the non-executive Directors shall retire from office.
17.3 Expenses	If any Director is required to perform extra services or reside abroad or specifically occupied by the Company's business, he or she shall be entitled to receive such remuneration as is determined by the Board.

Article	Amendment
19.2 Borrowing Powers	Notwithstanding anything to the contrary contained in the New Articles, the Board shall be entitled to authorise and issue any debt instruments, upon such terms and subject to such conditions.
20.12 Ratification of ultra vires acts	Save to the extent otherwise agreed with the JSE it shall not be competent for any resolution to be proposed to the Shareholders for adoption if such resolutions would lead to the ratification of an act on behalf of the Company that is contrary to the Listings Requirements.
22.1 Declaration of Dividends by Company	Dividends shall be declared in terms of the JSE Listings Requirements. Any dividend paid must not be capable of being repaid on the basis that it may be called up again.
22.8 Forfeiture of Unclaimed Dividends	Any Distributions other than dividends made by the Company, in the form of monies, shall be held by the Company in trust indefinitely until lawfully claimed by the relevant Shareholders or until the Company is wound up.
24.1 Power to Choose Any Record Date	Notwithstanding any provision of the New Articles, while the shares of the Company remain admitted to the list maintained by the JSE, the record date for the purposes of determining shareholder rights shall be determined in accordance with the Listings Requirements.
25.2 Summary Financial Statements	While the shares of the Company remain admitted to the list maintained by the JSE, the annual financial statements, or summary financial statements, must be distributed to the Shareholders by no less than 15 business days prior to an annual general meeting.
26.1 Method of Service	While the shares of the Company remain admitted to the list maintained by the JSE, the distribution of any notice, document or other information to be supplied to members by the Company shall be announced on SENS.
26.2 Members Resident Abroad or on Branch Registers	Any notice required to be given to Shareholders shall be delivered by the Company to all Shareholders either by sending it by post or by electronic media. If a Shareholder has not nominated an address to the Company, that Shareholder shall be deemed to have waived his right to be served with notices.
29 Amendments to Articles by Special Resolution	<p>The Board must submit any proposed amendments to these articles to the JSE for approval in accordance with the Listings Requirements.</p> <p>Any proposed resolution that relates to the amendment of these articles and any of the actions set out below must be passed by way of a special resolution at a meeting of the ordinary shareholders:</p> <p>(a) create any class of shares;</p>

Article	Amendment
	<p>(b) vary any preferences, rights, or limitations attaching to any class of shares;</p> <p>(c) convert one class of shares into one or more other classes;</p> <p>(d) increase the number of shares of any class;</p> <p>(e) consolidate shares;</p> <p>(f) amend the Articles or the memorandum of incorporation of the Company;</p> <p>(g) sub-divide shares; and</p> <p>(h) change the name of the Company</p> <p>Any proposed resolution to vary the rights or any other share terms attaching to any shares other than the ordinary shares must be passed by way of a special resolution of the holders of shares in that class at a separate meeting of such holders of shares and a special resolution of the ordinary shareholders. In such instances, the holders of shares in the relevant class may also be allowed to vote at the meeting of ordinary shareholders, if permitted in terms of the terms regulating the relevant class and subject to the restrictions set out in Listings Requirements.</p>
30. Compliance With Listing Requirements	The Company and the Board shall for so long as the Company's shares are admitted to the list maintained by the JSE ensure that all corporate actions undertaken by the Company are done in accordance with the Listings Requirements, to the extent applicable.

SCHEDULE 1 TO PART 2

DATED []

**ARTICLES OF ASSOCIATION
of
TISO BLACKSTAR GROUP
SOCIETAS EUROPAEA**

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ARTICLES OF ASSOCIATION

of

TISO BLACKSTAR GROUP SOCIETAS EUROPAEA

Articles adopted on []

1. INTERPRETATION

1.1 Exclusion of Model Articles

No articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the articles of the company.

1.2 Definitions

In these articles unless the context otherwise requires:-

"**address**" includes a number or address used for the purposes of sending or receiving documents or information by electronic means;

"**these articles**" means these articles of association as altered from time to time and the expression "**this article**" shall be construed accordingly;

"**the auditors**" means the auditors from time to time of the company or, in the case of joint auditors, any one of them as the context may indicate;

"**the Bank of England base rate**" means the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998;

"**the board**" means the board of directors from time to time of the company or the directors present at a meeting of the directors at which a quorum is present;

"**certificated share**" means a share which is not an uncertificated share and references in these articles to a share being held in certificated form shall be construed accordingly;

"**clear days**" in relation to the period of a notice means that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect;

"**the Companies Acts**" means every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the company;

"**the Financial Markets Act**" means the South African Financial Markets Act, 19 of 2012, as amended from time to time;

"**the holder**" in relation to any shares means the person whose name is entered in the register as the holder of those shares;

"**the JSE**" means JSE Limited, registration number 2005/022939/06, a public company incorporated in accordance with the laws of the Republic of South Africa, which is licensed as an exchange under the Financial Markets Act;

"**Listings Requirements**" means the listings requirements issued by the JSE, as amended from time to time;

"**the office**" means the registered office from time to time of the company;

"**paid up**" means paid up or credited as paid up;

"**participating class**" means a class of shares title to which is permitted by an Operator to be transferred by means of a relevant system;

"**person entitled by transmission**" means a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the register;

"**the register**" means the register of members of the company;

"**seal**" means any common or official seal that the company may be permitted to have under the Companies Acts;

"**the secretary**" means the secretary, or (if there are joint secretaries) any one of the joint secretaries as the context may indicate, of the company and includes an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the secretary;

"**SENS**" means the Stock Exchange News Service of the exchange operated by the JSE;

"**the uncertificated securities rules**" means any provision of the Companies Acts relating to the holding, evidencing of title to, or transfer of uncertificated shares and any legislation, rules or other arrangements made under or by virtue of such provision;

"**uncertificated share**" means a share of a class which is at the relevant time a participating class, title to which is recorded on the register as being held in uncertificated form and references in these articles to a share being held in uncertificated form shall be construed accordingly;

"**United Kingdom**" means Great Britain and Northern Ireland;

references to a document being **signed** or to **signature** include references to its being executed under hand or under seal or by any other method and, in the case of a communication in electronic form, such references are to its being authenticated as specified by the Companies Acts;

references to **writing** include references to any method of representing or reproducing words in a legible and non-transitory form whether sent or supplied in electronic form or otherwise and **written** shall be construed accordingly;

words or expressions to which a particular meaning is given by the Companies Acts in force when these articles or any part of these articles are adopted bear (if not inconsistent with the subject matter or context) the same meaning in these articles or that part (as the case may be) save that the word "**company**" shall include any body corporate; and

references to a **meeting** shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.

Words importing one gender shall include all genders.

Headings are included only for convenience and shall not affect meaning.

1.3 Limited Liability

The liability of members of the company is limited to the amount, if any, unpaid on the shares in the company held by them.

1.4 Enforceability

Each provision and each sentence and each part of a sentence in these articles is separate and severable from each other, and to the extent any provision or sentence or part thereof is found to be illegal or unenforceable or inconsistent with or contravening any provision of the Companies Act and/or the Listings Requirements, or void, such may to that extent only be modified or severed from these articles, so that the remaining part of that provision or sentence or part thereof, as the case may be, is legal, enforceable or consistent with or does not contravene the Companies Act and/or the Listings Requirements, or is not void.

1.5 Obligation to Listing Requirements

If any provision of these articles imposes any obligation or requirement pursuant only to the Listings Requirements, then:

- (i) unless the company is a "listed company", as such term is defined in the Listings Requirements, any such provision shall be deemed not to apply to the company; and
- (ii) insofar as the JSE exempts or no longer requires compliance with such obligations or requirements, the obligation or requirement shall be deemed to have been complied with,

if any provision of these articles limits, restricts or prohibits any power or authority of the company or the board pursuant only to the Listings Requirements, then insofar as such limitation, restriction or prohibition is waived, relaxed, repealed or amended by the JSE, the power or authority shall be deemed not to be subject to such limitation, restriction or prohibition to the extent of such waiver, relaxation, repeal or amendment without anything further being required.

2. NAME

2.1 Change of Name

The company may change its name by resolution of the board.

3. SHARE CAPITAL

3.1 Rights Attached to Shares

Subject to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the board may decide, provided that, shares in each class rank *pari passu* in respect of all rights at all times. Such rights and restrictions shall apply to the relevant shares as if the same were set out in these articles.

3.2 Redeemable Shares

Subject to any rights attached to existing shares, any share may be issued which is to be subject to 29.2, redeemed, or is liable to be redeemed at the option of the company or the holder.

3.3 Variation of Rights

Subject to the provisions of the Companies Acts, all or any of the rights attached to any existing class of shares may from time to time (whether or not the company is being wound up) be varied with the sanction of a special resolution passed at a separate general meeting of the holders of those shares. All the provisions of these articles as to general meetings of the company shall, with any necessary modifications, apply to any such separate general meeting, but so that the necessary quorum shall be two persons entitled to vote and holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares), (but so that at any adjourned meeting one holder entitled to vote and present in person or by proxy (whatever the number of shares held by him) shall be a quorum), and that any holder of shares of the class present in person or by proxy and entitled to vote may demand a poll. The foregoing provisions

of this article shall apply to the variation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class and their special rights were to be varied.

3.4 Pari Passu Issues

The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking pari passu with them.

3.5 Shares

Subject to the provisions of these articles and to any resolution passed by the company and where necessary, the JSE and Listing Requirements without prejudice to any rights attached to existing shares, the board may offer, allot, grant options over or otherwise deal with or dispose of shares in the company to such persons, at such times and for such consideration and upon such terms as the board may decide, provided that such transaction/s has/have been approved by the JSE (if necessary) and comply with the Listings Requirements.

3.6 Payment of Commission

The company may in connection with the issue of any shares or the sale for cash of treasury shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts, provided that, for so long as any securities of the company are admitted to the list maintained by the JSE, any such commission or brokerage shall not exceed 10 per cent. of the consideration payable for such subscription. Any such commission or brokerage may be satisfied by the payment of cash or by the allotment of shares or other securities or partly in one way and partly in the other.

3.7 Trusts Not Recognised

Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or required in any way to recognise (even when having notice of it) any interest in any share or (except only as by these articles or by law otherwise provided) any other right in respect of any share other than an absolute right to the whole of the share in the holder.

3.8 Suspension of Rights Where Non-Disclosure of Interest in respect of a share not listed on an exchange operated by the JSE

3.8.1 Where the holder of any shares in the company, or any other person appearing to be interested in those shares, fails to comply within the relevant period with any statutory notice in respect of those shares or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular, the company may give the holder of those shares a further notice (a "**restriction notice**") to the effect that from service of the restriction notice those shares shall, notwithstanding any other provision of these articles, be subject to those relevant restrictions accordingly. For the purpose of enforcing the relevant restriction referred to in sub-paragraph 3 of the definition of "relevant restrictions", the board may give notice to the relevant member requiring the member to change the relevant shares held in uncertificated form to certificated form by the time stated in the notice and to keep them in certificated form for as long as the board requires. The notice may also state that the member may not change any of the relevant shares held in certificated form to uncertificated form. If the member does not comply with the notice, the board may authorise any person to instruct the Operator to change the relevant shares held in uncertificated form to certificated form.

3.8.2 If after the service of a restriction notice in respect of any shares the board is satisfied that all information required by any statutory notice relating to those shares or any of them from their holder or any other person appearing to be

interested in the shares the subject of the restriction notice has been supplied, the company shall, within seven days from the service of restriction notice, cancel the restriction notice. The company may at any time at its discretion cancel any restriction notice or exclude any shares from it. The company shall cancel a restriction notice within seven days after receipt of a notice in writing that the relevant shares have been transferred pursuant to an arm's length sale.

- 3.8.3 Where any restriction notice is cancelled or ceases to have effect in relation to any shares, any moneys relating to those shares which were withheld by reason of that notice shall be paid without interest to the person who would but for the notice have been entitled to them or as he may direct.
- 3.8.4 Any new shares in the company issued in right of any shares subject to a restriction notice shall also be subject to the restriction notice, and the board may make any right to an allotment of the new shares subject to the restrictions corresponding to those which will apply to those shares by reason of the restriction notice when such shares are issued.
- 3.8.5 Any holder of shares on whom a restriction notice has been served may at any time request the company to give in writing the reason why the restriction notice has been served, or why it remains uncanceled, and within 14 days of receipt of such a notice the company shall give that information accordingly.
- 3.8.6 If a statutory notice is given by the company to a person appearing to be interested in any share, a copy shall at the same time be given to the holder, but the failure or omission to do so or the non-receipt of the copy by the holder shall not invalidate such notice.
- 3.8.7 This article is in addition to, and shall not in any way prejudice or affect, the statutory rights of the company arising from any failure by any person to give any information required by a statutory notice within the time specified in it. For the purpose of this article a statutory notice need not specify the relevant period, and may require any information to be given before the expiry of the relevant period.
- 3.8.8 In this article:-

a sale is an "**arm's length sale**" if the board is satisfied that it is a *bona fide* sale of the whole of the beneficial ownership of the shares to a party unconnected with the holder or with any person appearing to be interested in such shares and shall include a sale made by way of or in pursuance of acceptance of a takeover offer and a sale made through a recognised investment exchange or any other stock exchange outside the United Kingdom. For this purpose an associate (within the definition of that expression in any statute relating to insolvency in force at the date of adoption of this article) shall be included amongst the persons who are connected with the holder or any person appearing to be interested in such shares;

"person appearing to be interested" in any shares shall mean any person named in a response to a statutory notice or otherwise notified to the company by a member as being so interested or shown in any register or record kept by the company under the Companies Acts as so interested or, taking into account a response or failure to respond in the light of the response to any other statutory notice and any other relevant information in the possession of the company, any person whom the company knows or has reasonable cause to believe is or may be so interested;

"person with a 0.25 per cent. interest" means a person who holds, or is shown in any register or record kept by the company under the Companies Acts as having an interest in, shares in the company which comprise in total at least 0.25 percent in number or nominal value of the shares of the company (calculated exclusive of any shares held as treasury shares), or of any class of such shares (calculated exclusive of any shares of that class held as treasury shares), in issue at the date of service of the restriction notice;

"**relevant period**" means a period of 14 days following service of a statutory notice;

"**relevant restrictions**" mean in the case of a restriction notice served on a person with a 0.25 percent interest that:-

1. the shares shall not confer on the holder any right to attend or vote either personally or by proxy at any general meeting of the company or at any separate general meeting of the holders of any class of shares in the company or to exercise any other right conferred by membership in relation to general meetings;
2. the board may withhold payment of all or any part of any dividends or other moneys payable in respect of the shares and the holder shall not be entitled to receive shares in *lieu* of any dividend;
3. the board may decline to register a transfer of any of the shares which are certificated shares, unless such a transfer is pursuant to an arm's length sale

and in any other case mean only the restriction specified in sub-paragraph 1 of this definition; and

"**statutory notice**" means a notice served by the company under the Companies Acts requiring particulars of interests in shares or of the identity of persons interested in shares.

3.9 Uncertificated Shares

3.9.1 Pursuant and subject to the uncertificated securities rules, the board may permit title to shares of any class to be evidenced otherwise than by a certificate and title to shares of such a class to be transferred by means of a relevant system and may make arrangements for a class of shares (if all shares of that class are in all respects identical) to become a participating class. Title to shares of a particular class may only be evidenced otherwise than by a certificate where that class of shares is at the relevant time a participating class. The board may also, subject to compliance with the uncertificated securities rules, determine at any time that title to any class of shares may from a date specified by the board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular relevant system.

3.9.2 In relation to a class of shares which is a participating class and for so long as it remains a participating class, no provision of these articles shall apply or have effect to the extent that it is inconsistent in any respect with:

- (a) the holding of shares of that class in uncertificated form;
- (b) the transfer of title to shares of that class by means of a relevant system;
- (c) any provision of the uncertificated securities rules,

and, without prejudice to the generality of this article, no provision of these articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the uncertificated securities rules, of an Operator register of securities in respect of that class of shares in uncertificated form.

3.9.3 Shares of a class which is at the relevant time a participating class may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the uncertificated securities rules.

- 3.9.4 If, under these articles or the Companies Acts, the company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over an uncertificated share, then, subject to these articles and the Companies Acts, such entitlement shall include the right of the board to:
- (a) require the holder of that uncertificated share by notice in writing to change that share from uncertificated to certificated form within such period as may be specified in the notice and keep it as a certificated share for as long as the board requires;
 - (b) appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such share as may be required to effect the transfer of such share and such steps shall be as effective as if they had been taken by the registered holder of that share; and
 - (c) take such other action that the board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.
- 3.9.5 Unless the board otherwise determines, shares which a member holds in uncertificated form shall be treated as separate holdings from any shares which that member holds in certificated form. However shares held in uncertificated form shall not be treated as forming a class which is separate from certificated shares with the same rights.
- 3.9.6 Unless the board otherwise determines or the uncertificated securities rules otherwise require, any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated shares and any shares issued or created out of or in respect of any certificated shares shall be certificated shares.
- 3.9.7 The company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the uncertificated securities rules and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the company in reliance on such assumption; in particular, any provision of these articles which requires or envisages that action will be taken in reliance on information contained in the register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

3.10 Right to Share Certificates

Every person (except a person to whom the company is not by law required to issue a certificate) whose name is entered in the register as a holder of any certificated shares shall be entitled, without payment, to receive within the time limits prescribed by the Companies Acts (or, if earlier, within any prescribed time limit or within a time specified when the shares were issued) one certificate for all those shares of any one class. In the case of a certificated share held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A member who transfers some but not all of the shares comprised in a certificate shall be entitled to a certificate for the balance without charge to the extent the balance is to be held in certificated form.

3.11 Replacement of Share Certificates

If a share certificate is defaced, worn out, lost or destroyed, it may be replaced on such terms (if any) as to evidence and indemnity as the board may decide and, where it is defaced or worn out, after

delivery of the old certificate to the company. Any two or more certificates representing shares of any one class held by any member shall at his request be cancelled and a single new certificate for such shares issued in lieu. Any certificate representing shares of any one class held by any member may at his request be cancelled and two or more certificates for such shares may be issued instead. The board may require the payment of any exceptional out-of-pocket expenses of the company incurred in connection with the issue of any certificates under this article. Any one of two or more joint holders may request replacement certificates under this article.

3.12 Execution of Share Certificates

Every share certificate shall be executed under a seal or in such other manner as the board, having regard to the terms of issue and any listing requirements, may authorise and shall specify the number and class of the shares to which it relates and the amount or respective amounts paid up on the shares. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be signed by any person.

3.13 Share Certificates Sent at Holder's Risk

Every share certificate sent in accordance with these articles will be sent at the risk of the member or other person entitled to the certificate. The company will not be responsible for any share certificate lost or delayed in the course of delivery.

4. LIEN

4.1 Company's Lien on Shares Listed on an Exchange Operated by the JSE

Shares listed on an exchange operated by the JSE shall not be subject to any lien in favour of the company.

4.2 Enforcing Lien by Sale

In respect of shares not listed on an exchange operated by the JSE, the company may sell, in such manner as the board may decide, any share on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after a notice has been served on the holder of the share or the person who is entitled by transmission to the share, demanding payment and stating that if the notice is not complied with the share may be sold. For giving effect to the sale the board may authorise some person to sign an instrument of transfer of the share sold to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in relation to the sale.

4.3 Application of Proceeds of Sale

The net proceeds, after payment of the costs, of the sale by the company of any share not listed on an exchange operated by the JSE on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as it is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale and upon surrender, if required by the company, for cancellation of the certificate for the share sold) be paid to the person who was entitled to the share at the time of the sale.

5. CALLS ON SHARES

5.1 Calls

Subject to the terms of issue, the board may from time to time make calls upon the members in respect of any moneys unpaid on their shares not listed on an exchange operated by the JSE (whether on account of the nominal amount of the shares or by way of premium) and not payable on a

date fixed by or in accordance with the terms of issue, and each member shall (subject to the company serving upon him at least 14 clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares not listed on an exchange operated by the JSE or where required by the company to the branch office of the Company in the Republic of South Africa. A call may be paid at the branch office of the company in the Republic of South Africa. A call may be made payable by instalments. A call may be revoked or postponed, in whole or in part, as the board may decide. A person upon whom a call is made shall remain liable jointly and severally with the successors in title to his shares for all calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

5.2 Timing of Calls

A call shall be deemed to have been made at the time when the resolution of the board authorising the call was passed.

5.3 Liability of Joint Holders

The joint holders of a share not listed on an exchange operated by the JSE shall be jointly and severally liable to pay all calls in respect of the share.

5.4 Interest Due on Non-Payment

If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it is due and payable to the time of actual payment at such rate (not exceeding the Bank of England base rate by more than five percentage points) as the board may decide, and all expenses that have been incurred by the company by reason of such non-payment, but the board shall be at liberty in any case or cases to waive payment of the interest or expenses wholly or in part.

5.5 Sums Due on Allotment Treated as Calls

Any amount which becomes payable in respect of a share not listed on an exchange operated by the JSE on allotment or on any other date fixed by or in accordance with the terms of issue, whether in respect of the nominal amount of the share or by way of premium or as an instalment of a call, shall be deemed to be a call and, if it is not paid, all the provisions of these articles shall apply as if the sum had become due and payable by virtue of a call.

5.6 Power to Differentiate

The board may on or before the issue of shares not listed on an exchange operated by the JSE, differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

5.7 Payment of Calls in Advance

The board may, if it thinks fit, receive from any member who is willing to advance them all or any part of the moneys uncalled and unpaid upon any shares not listed on an exchange operated by the JSE held by him and on all or any of the moneys so advanced may (until they would, but for the advance, become presently payable) pay interest at such rate (not exceeding the Bank of England base rate by more than five percentage points, unless the company by ordinary resolution shall otherwise direct) as the board may decide, provided that, such advance payment shall not entitle the holder of the share to participate, in respect thereof, in a dividend subsequently declared.

5.8 Retention of dividends

The directors may retain any dividend or bonus upon which the company has a lien and may deduct from dividends or bonuses all claims or sums of money that may be due on account of calls.

6. FORFEITURE OF SHARES

6.1 Notice if Call or Instalment Not Paid

If any call or instalment of a call remains unpaid on any share not listed on an exchange operated by the JSE after the day appointed for payment, the board may at any time serve a notice on the holder requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses incurred by the company by reason of such non-payment.

6.2 Form of Notice

The notice shall name a further day (not being less than 14 clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that in the event of non-payment on or before the day and at the place appointed, the shares in respect of which the call has been made or instalment is payable will be liable to be forfeited.

6.3 Forfeiture for Non-Compliance with Notice

If the notice is not complied with, any share not listed on an exchange operated by the JSE in respect of which it was given may, at any time before payment of all calls or instalments and interest and expenses due in respect of it have been made, be forfeited by a resolution of the board to that effect and the forfeiture shall include all dividends declared and other moneys payable in respect of the forfeited shares and not paid before the forfeiture. The board may accept the surrender of any share liable to be forfeited and, in that event, references in these articles to forfeiture shall include surrender.

6.4 Notice after Forfeiture

When any share not listed on an exchange operated by the JSE has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share but no forfeiture shall be invalidated by any omission or neglect to give notice.

6.5 Sale of Forfeited Shares

Until cancelled in accordance with the requirements of the Companies Acts, a forfeited share not listed on an exchange operated by the JSE shall be deemed to be the property of the company and may be sold or otherwise disposed of either to the person who was, before forfeiture, the holder or to any other person upon such terms and in such manner as the board shall decide. The board may for the purposes of the disposal authorise some person to sign an instrument of transfer to the designated transferee. The company may receive the consideration (if any) given for the share on its disposal. At any time before a sale or disposition the forfeiture may be cancelled by the board on such terms as the board may decide.

6.6 Arrears to be Paid Notwithstanding Forfeiture

A person whose shares not listed on an exchange operated by the JSE have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the forfeited shares but shall remain liable to pay to the company all moneys which at the date of the forfeiture were payable by him to the company in respect of those shares with interest thereon at such rate (not exceeding the Bank of England base rate by more than five percentage points) as the board may decide from the date of forfeiture until payment, and the company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal.

6.7 Statutory Declaration as to Forfeiture

A statutory declaration that the declarant is a director of the company or the secretary and that a share not listed on an exchange operated by the JSE has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject to the signing of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is sold or otherwise disposed of shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale or disposal.

7. TRANSFER OF SHARES

7.1 Transfer

7.1.1 The transferability of securities is not restricted and

- (a) any member may transfer all or any of his uncertificated shares by means of a relevant system in such manner provided for, and subject as provided in, the uncertificated securities rules, and accordingly no provision of these articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred; and
- (b) any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the board may approve.

7.1.2 The transferor of a share shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the register in respect of it.

7.2 Signing of Transfer

The instrument of transfer of a certificated share shall be signed by or on behalf of the transferor. All instruments of transfer, when registered, may be retained by the company.

7.3 Rights to Decline Registration of Partly Paid Shares not Listed on an Exchange Operated by the JSE

The board can decline to register any transfer of any share not listed on an exchange operated by the JSE which is not a fully paid share.

7.4 Other Rights to Decline Registration of Shares not Listed on an Exchange Operated by the JSE

7.4.1 Registration of a transfer of an uncertificated share not listed on an exchange operated by the JSE may be refused in the circumstances set out in the uncertificated securities rules, and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

7.4.2 The board may decline to register any transfer of a certificated share listed on an exchange operated by the JSE unless:-

- (a) the instrument of transfer is duly stamped or duly certified or otherwise shown to the satisfaction of the board to be exempt from stamp duty and is left at the office or such other place as the board may from time to time determine accompanied (save in the case of a transfer by a person to whom the company is not required by law to issue a certificate and to whom a certificate has not been issued) by the certificate for the share to which it relates and such other evidence as the board may reasonably require to show the right of the person signing the instrument of transfer to make the transfer and, if the instrument of transfer is signed by some other person on his behalf, the authority of that person so to do;
- (b) the instrument of transfer is in respect of only one class of share; and
- (c) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.

7.5 For all purposes of these articles relating to the registration of transfers of shares listed on an exchange operated by the JSE, the renunciation of the allotment of any shares by the allottee in favour of some other person shall be deemed to be a transfer and the board shall have the same powers of refusing to give effect to such a renunciation as if it were a transfer.

7.6 Mandates to sign instruments of transfer

Pursuant to the Listings Requirements:

7.6.1 All mandates or authorities to sign instruments of transfer granted by shareholders for the purpose of transferring shares listed on an exchange operated by the JSE, which have been lodged, produced or exhibited with or to the company, shall be held in custody by the company at its registered office.

7.6.2 Such mandates or authorities shall, as between the company and the grantor of such mandate or authorities be deemed to continue and remain in full force and effect, and the board may allow such instruments of transfer signed for the shareholders as transferor pursuant to such mandate or authority to be acted upon, until express written notice of its revocation signed by or on behalf of the shareholders is lodged at the company's registered office. Even after the lodging of such notice of revocation, the company shall be entitled to give effect to any instrument of transfer signed under the mandate or authority to sign and certified by any officer of the company as being in order before the lodging of such written notice of revocation.

7.7 No Fee for Registration

No fee shall be charged by the company for registering any transfer, document or instruction relating to or affecting the title to any share or for making any other entry in the register.

7.8 Untraced Shareholders applicable to shares not listed on an exchange operated by the JSE

7.8.1 The company may sell any certificated shares in the company on behalf of the holder of, or person entitled by transmission to, the shares at the best price reasonably obtainable at the time of sale if:-

- (a) the shares have been in issue either in certificated or uncertificated form throughout the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period;
- (b) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares or by the transfer of funds by means of a relevant system at any time during the relevant period;
- (c) so far as any director of the company at the end of the relevant period is then aware, the company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares; and
- (d) the company has caused two advertisements to be published, one in a newspaper with a national circulation and the other in a newspaper circulating in the area in which the last known postal address of the holder of, or person entitled by transmission to, the shares or the postal address at which service of notices may be effected under these articles is located, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or

of the last of the two advertisements to be published if they are published on different dates.

7.8.2 The company shall also be entitled to sell at the best price reasonably obtainable at the time of sale any additional certificated shares in the company issued either in certificated or uncertificated form during the qualifying period in right of any share to which paragraph 7.8.1 of this article applies (or in right of any share so issued), if the criteria in paragraph 7.8.1(b) to (d) are satisfied in relation to the additional shares.

7.8.3 To give effect to any sale of shares pursuant to this article the board may authorise some person to transfer the shares in question and an instrument of transfer signed by that person shall be as effective as if it had been signed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the company and, upon their receipt, the company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the company or as it thinks fit.

7.8.4 For the purpose of this article:-

"the qualifying period" means the period of 12 years immediately preceding the date of publication of the advertisements referred to in paragraph 7.8.1(d) above or of the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of paragraph 7.8.1(a) to (d) above have been satisfied.

8. TRANSMISSION OF SHARES

8.1 Transmission on Death

If a member dies, the survivor or survivors, where he was a joint holder, and his personal representatives, where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his shares; but nothing contained in these articles shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.

8.2 Entry of Transmission in Register

Where the entitlement of a person to a certificated share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the board, the board shall within two months after proof cause the entitlement of that person to be noted in the register.

8.3 Election of Person Entitled by Transmission

Any person entitled by transmission to a share may, subject as provided elsewhere in these articles, elect either to become the holder of the share or to have some person nominated by him registered as the holder. If he elects to be registered himself he shall give notice to the company to that effect. If he elects to have another person registered and the share is a certificated share, he shall sign an instrument of transfer of the share to that person. If he elects to have himself or another person registered and the share is an uncertificated share, he shall take any action the board may require (including, without limitation, the signing of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share. The

board may at any time require the person to elect either to be registered himself or to transfer the share and if the requirements are not complied with within 60 days of being issued the board may withhold payment of all dividends and other moneys payable in respect of the share until the requirements have been complied with. All the provisions of these articles relating to the transfer of, and registration of transfers of, shares shall apply to the notice or transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or transfer was given or signed by the member.

8.4 Rights of Person Entitled by Transmission

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share shall cease, but the person entitled by transmission to the share may give a good discharge for any dividends or other moneys payable in respect of it and shall have the same rights in relation to the share as he would have had if he were the holder of it save that, until he becomes the holder, he shall not be entitled in respect of the share (except with the authority of the board) to receive notice of, or to attend or vote at, any general meeting of the company or at any separate general meeting of the holders of any class of shares in the company or to exercise any other right conferred by membership in relation to general meetings.

9. ALTERATION OF SHARE CAPITAL

9.1 Sub-division

Any resolution authorising the company to sub-divide its shares or any of them may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

9.2 Fractions

Subject to Article 9.3, whenever as a result of a consolidation, consolidation and sub-division or sub-division of shares any holders would become entitled to fractions of a share, the board may deal with the fractions as it thinks fit including by aggregating and selling them or by dealing with them in some other way. For the purposes of effecting any such sale, the board may arrange for the shares representing the fractions to be entered in the register as certificated shares. The board may sell shares representing fractions to any person, including the company and may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

9.3 Listings Requirements

At any time when the provisions of 9.2 apply to shares that are listed on an exchange operated by the JSE and subject to the Listings Requirements, the board may only deal with fractions of these shares in accordance with the provisions of the Listings Requirements.

10. NOTICE OF GENERAL MEETINGS

10.1 Notice to shareholders

10.1.1 Pursuant to the Listings Requirements, written notice of the time and place of a meeting of shareholders shall be sent to every shareholder entitled to receive notice of the meeting and to every director, secretary and auditor of the company and to the JSE not less than 15 business days before the date of the meeting and also announced via SENS.

10.1.2 Pursuant to the Listings Requirements where a non-electronic notice of general / annual general meeting, or annual financial statements, is to be distributed from the registered office of the company, at least 20 business days' notice of such

meeting must be given to all shareholders entitled to thereto. Where such notice, or annual financial statements, is distributed electronically, by airmail or otherwise from a branch office in the Republic of South Africa, at least 21 days' notice must of such meeting must be given to all shareholders entitled thereto. The notice of general meeting shall also be delivered to the JSE and announced through SENS.

10.2 Omission or Non-Receipt of Notice

10.2.1 The accidental omission to give any notice of a meeting or the accidental omission to send or supply any document or other information relating to any meeting to, or the non-receipt (even if the company becomes aware of such non-receipt) of any such notice, document or other information by, any person entitled to receive the notice, document or other information shall not invalidate the proceedings at that meeting.

10.2.2 A member present in person or by proxy at a meeting shall be deemed to have received proper notice of that meeting and, where applicable, of the purpose of that meeting.

10.3 Postponement of General Meetings

If the board, in its absolute discretion, considers that it is impractical or undesirable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone or move the general meeting to another date, time and/or place. The board shall take reasonable steps to ensure that notice of the date, time and place of the rearranged meeting is given to any member trying to attend the meeting at the original time and place. Notice of the date, time and place of the rearranged meeting shall, if practicable, also be placed in at least two national newspapers in the United Kingdom. Notice of the business to be transacted at such rearranged meeting shall not be required. If a meeting is rearranged in this way, the appointment of a proxy will be valid if it is received as required by these articles not less than 48 hours before the time appointed for holding the rearranged meeting. The board may also postpone or move the rearranged meeting under this article.

11. PROCEEDINGS AT GENERAL MEETINGS

11.1 Quorum

11.1.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Save where Articles 11.1.2 to 11.1.4 apply pursuant to the Listings Requirements, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

11.1.2 Pursuant to the Listings Requirements a shareholders' meeting may not begin until sufficient shareholders are present or represented at the meeting to exercise, in aggregate, at least 25 percent of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting.

11.1.3 Pursuant to the Listings Requirements, a matter to be decided at the meeting may not begin to be considered unless sufficient shareholders are present or represented at the meeting to exercise, in aggregate at least 25 percent of all the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.

11.1.4 Pursuant to the Listings Requirements, if the company has more than two shareholders then a shareholders' meeting may not begin, or a matter begin to be debated, unless at least three shareholders are present or represented at the meeting and the requirements of articles 11.1.2 and 11.1.3 above are satisfied.

11.2 Procedure if Quorum Not Present

If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the commencement of the meeting a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting:

- (a) if convened by or upon the requisition of members, shall be dissolved; and
- (b) in any other case, it shall stand adjourned to such other day (being not less than ten days later, excluding the day on which the meeting is adjourned and the day for which it is reconvened) and at such other time or place as the chairman of the meeting may decide. At any adjourned meeting one member present in person or by proxy and entitled to vote (whatever the number of shares held by him) shall be a quorum and any notice of an adjourned meeting shall state that one member present in person or by proxy and entitled to vote (whatever the number of shares held by him) shall be a quorum.

11.3 Security Arrangements

The board may direct that persons wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to, or to authorise some one or more persons who shall include a director or the secretary or the chairman of the meeting to, refuse entry to, or to eject from, such general meeting any person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

11.4 Chairman of General Meeting

The chairman (if any) of the board or, in his absence, the deputy chairman (if any) shall preside as chairman at every general meeting. If more than one deputy chairman is present they shall agree amongst themselves who is to take the chair or, if they cannot agree, the deputy chairman who has been in office as a director longest shall take the chair. If there is no chairman or deputy chairman, or if at any meeting neither the chairman nor any deputy chairman is present within five minutes after the time appointed for the commencement of the meeting, or if neither the chairman nor any deputy chairman is willing to act as chairman, the directors present shall choose one of their number to act, or if one director only is present he shall preside as chairman of the meeting if willing to act. If no director is present, or if each of the directors present declines to take the chair, the persons present and entitled to vote shall appoint one of their number to be chairman of the meeting. Nothing in these articles shall restrict or exclude any of the powers or rights of a chairman of a meeting which are given by law.

11.5 Orderly Conduct

The chairman of the meeting shall take such action or give directions for such action to be taken as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting. The chairman's decision on points of order, matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any point or matter is of such a nature.

11.6 Entitlement to Attend and Speak

Each director shall be entitled to attend and speak at any general meeting of the company. The chairman of the meeting may invite any person to attend and speak at any general meeting of the company where he considers that this will assist in the deliberations of the meeting.

11.7 Adjournments

The chairman of the meeting may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) either *sine die* or to another time or place where it appears to him that (a) the members entitled to vote and wishing to attend cannot be conveniently accommodated in the place appointed for the meeting (b) the conduct of persons present prevents or is likely to prevent the orderly continuation of business or (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted. In addition, the chairman of the meeting may at any time with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting either *sine die* or to another time or place. When a meeting is adjourned *sine die* the time and place for the adjourned meeting shall be fixed by the board. No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place. Any meeting may be adjourned more than once.

11.8 Notice of Adjournment

If the continuation of an adjourned meeting is to take place three months or more after it was adjourned or if business is to be transacted at an adjourned meeting the general nature of which was not stated in the notice of the original meeting, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as provided in this article, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

11.9 Convening of shareholder meetings

All shareholders' meetings that are called for in terms of the Listings Requirements must be convened by the board (and such shareholders' meetings shall be held in person and may not be held by means of a written resolution, save to the extent permitted by the Listings Requirements) for purposes of the shareholders considering and, if deemed fit, approving the shareholders' resolutions required to be passed by the shareholders in terms of the Listings Requirements.

11.10 Prohibition on calling meetings

There is no prohibition or restriction in these articles on the company from calling any meeting for the purposes of adhering to the Listings Requirements.

12. AMENDMENTS

12.1 Amendments to Resolutions

In the case of a resolution duly proposed as a special resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon and in the case of a resolution duly proposed as an ordinary resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either at least two working days prior to the date appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed notice in writing of the terms of the amendment and intention to move the same has been received by the company or the chairman of the meeting in his absolute discretion decides that it may be considered or voted upon. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is put to the vote.

12.2 Amendments Ruled Out of Order

If an amendment shall be proposed to any resolution under consideration but shall be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

13. VOTING

13.1 Votes of Members

Subject to any special terms as to voting upon which any shares may be issued or may at the relevant time be held and to any other provisions of these articles, members shall be entitled to vote at a

general meeting whether on a show of hands or on a poll as provided in the Companies Acts. For this purpose, where a proxy is given discretion as to how to vote on a show of hands, this shall be treated as an instruction by the relevant member to vote in the way that the proxy elects to exercise that discretion.

13.2 Votes per share

Each share accords to the holder the right on a poll to exercise one vote per share held by that holder on any matter to be decided upon by the shareholders of that class or the shareholders, to the extent applicable.

13.3 Method of Voting

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll is demanded. A poll may be demanded by:-

- (a) the chairman of the meeting; or
- (b) at least five persons present and entitled to vote on the resolution; or
- (c) any member or members present in person or by proxy and representing in the aggregate not less than one tenth of the total voting rights of all the members having the right to vote on the resolution; or
- (d) any member or members present in person or by proxy and holding shares conferring a right to vote on the resolution on which there have been paid up sums in the aggregate equal to not less than one tenth of the total sum paid up on all the shares conferring that right.

The chairman of the meeting can also demand a poll before a resolution is put to the vote on a show of hands. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution on a show of hands has been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

13.4 Procedure if Poll Demanded

If a poll is properly demanded it shall be taken in such manner as the chairman of the meeting shall direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

13.5 When Poll to be Taken

A poll demanded on the election of a chairman of the meeting, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or on such date (being not later than 30 days after the date of the demand) and at such time and place as the chairman of the meeting shall direct. It shall not be necessary (unless the chairman of the meeting otherwise directs) for notice to be given of a poll.

13.6 Continuance of Other Business after Poll Demand

The demand for a poll (other than on the election of a chairman of the meeting or on a question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded, and it may be withdrawn with the consent of the chairman of the meeting at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and in that event shall not invalidate the result of a show of hands declared before the demand was made.

13.7 Votes of Joint Holders

In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

13.8 No Right to Vote where Sums Overdue on Shares not Listed on an Exchange operated by the JSE

No member shall, unless the board otherwise decides, be entitled in respect of any share not listed on an exchange operated by the JSE held by him to attend or vote (either personally or by proxy) at any general meeting of the company or upon a poll or to exercise any other right conferred by membership in relation to general meetings or polls unless all calls or other sums presently payable by him in respect of that share have been paid.

13.9 Voting on Behalf of Incapable Member

A member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote at any general meeting of the company and may exercise any other right conferred by membership in relation to general meetings by or through any person authorised in such circumstances to do so on his behalf (and that person may vote by proxy), provided that evidence to the satisfaction of the board of the authority of the person claiming to exercise the right to vote or such other right has been received by the company not later than the last time at which appointments of proxy should have been received in order to be valid for use at that meeting or on the holding of that poll.

13.10 Objections or Errors in Voting

If:-

- (a) any objection shall be raised to the qualification of any voter, or
- (b) any votes have been counted which ought not to have been counted or which might have been rejected, or
- (c) any votes are not counted which ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting or poll on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or poll at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be conclusive.

14. PROXIES

14.1 Appointment of Proxies

The appointment of a proxy shall be in writing signed by the appointor or his duly authorised attorney or, if the appointor is a corporation, shall either be executed under its seal or signed by an officer, attorney or other person authorised to sign it.

14.2 Receipt of Proxies

14.2.1 The appointment of a proxy must:-

- (a) in the case of an appointment made in hard copy form, be received at the office (or such other place in the United Kingdom or the company's branch office in the Republic of South Africa as may be specified by the company for the receipt of appointments of proxy in hard copy form) not less than 48 hours (or such shorter time as the board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote together with (if required by the board) any authority under which it is made or a copy of the authority, certified notarially or in accordance with the Powers of Attorney Act 1971 or in some other manner approved by the board;
- (b) in the case of an appointment made by electronic means, be received at the address specified by the company for the receipt of appointments of proxy by electronic means not less than 48 hours (or such shorter time as the board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. Any authority pursuant to which such an appointment is made or a copy of the authority, certified notarially or in accordance with the Powers of Attorney Act 1971 or in some other manner approved by the board, must, if required by the board, be received at such address or at the office (or such other place in the United Kingdom or the company's branch office in the Republic of South Africa as may be specified by the company for the receipt of such documents) not less than 48 hours (or such shorter time as the board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
- (c) in the case of a poll taken more than 48 hours after it was demanded, be received as aforesaid not less than 24 hours (or such shorter time as the board may determine) before the time appointed for the taking of the poll;
- (d) in the case of a poll taken following the conclusion of a meeting or adjourned meeting but not more than 48 hours after it was demanded, be received as aforesaid before the end of the meeting at which it was demanded (or at such later time as the board may determine),

and an appointment of a proxy which is not, or in respect of which the authority or copy thereof is not, received in a manner so permitted shall be invalid. When two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned. The proceedings at a general meeting shall not be invalidated where an appointment of a proxy in respect of that meeting is sent in electronic form as provided in these articles, but because of a technical problem it cannot be read by the recipient.

14.2.2 The board may at its discretion determine that in calculating the periods mentioned in this article no account shall be taken of any part of a day that is not a working day.

14.3 Maximum Validity of Proxy

No appointment of a proxy shall be valid after 12 months have elapsed from the date of its receipt save that, unless the contrary is stated in it, an appointment of a proxy shall be valid for use at an adjourned meeting or a poll after a meeting or an adjourned meeting even after 12 months, if it was valid for the original meeting.

14.4 Form of Proxy

The appointment of a proxy shall be in any usual form or in such other form as the board may approve. The appointment of a proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to, or any other business which may properly come before, the meeting for which it is given as the proxy thinks fit. The appointment of a proxy shall, unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

14.5 Cancellation of Proxy's Authority

A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice in writing of the determination was received by the company at the office (or such other place or address as was specified by the company for the receipt of appointments of proxy) not later than the last time at which an appointment of a proxy should have been received in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll taken.

15. CLASS MEETINGS

15.1 Separate General Meetings

The provisions of these articles relating to general meetings shall apply, with any necessary modifications, to any separate general meeting of the holders of shares of a class convened otherwise than in connection with the variation or abrogation of the rights attached to the shares of that class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

16. APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

16.1 Number of Directors

Unless otherwise determined by ordinary resolution of the company, the directors (disregarding alternate directors) shall be not less than four nor more than 15 in number. Pursuant to the Listings Requirements, if the number of directors falls below four, the remaining directors must as soon as possible and in any event not later than three months from the date that the number of directors falls below the minimum fill the vacancies or call a general meeting for the purpose of filling the vacancies. The failure by the company to have the minimum number of directors during the three month period does not limit or negate the authority of the board or invalidate anything done by the board or the company. After the expiry of the three month period the remaining directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of shareholders.

16.2 Directors' Shareholding Qualification

No shareholding qualification for directors shall be required.

16.3 Power of Company to Appoint Directors

Subject to the provisions of these articles, the company may by ordinary resolution elect any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these articles.

16.4 Power of Board to Appoint Directors

Subject to the provisions of these articles, the board may appoint any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these articles. Any director so appointed shall retire at the next annual general meeting and shall then be eligible for re-appointment.

16.5 Retirement of Directors by Rotation

16.5.1 At every annual general meeting any director:

- (a) who has been appointed by the board since the last annual general meeting, or
- (b) who held office at the time of the two preceding annual general meetings and who did not retire at either of them, or
- (c) who has held office with the company, other than employment or executive office, for a continuous period of nine years or more at the date of the meeting,

shall retire from office and may offer himself for re-appointment by the members.

16.5.2 Pursuant to the Listings Requirements, at each annual general meeting one-third of the non-executive directors (not being alternate directors), or if their number is not a multiple of three then the number nearest to but not less than one-third, shall retire from office. The non-executive directors so to retire at each annual general meeting shall firstly be those retiring in terms of clause 16.5.1 of these articles and secondly those who have been longest in office. As between non-executive directors of equal seniority, the non-executive directors to retire shall, in absence of agreement, be selected from among them by lot. A retiring director shall act as a director throughout the meeting at which he or she retires. For the avoidance of doubt it is recorded that life directorships and directorships for an indefinite period shall not be permitted.

16.6 Filling Vacancies

Subject to the provisions of these articles, at the meeting at which a director retires the company can pass an ordinary resolution to re-appoint the director or to elect some other eligible person in his place.

16.7 Power of Removal by Special Resolution

In addition to any power of removal conferred by the Companies Acts, the company may by special resolution remove any director before the expiration of his period of office and may (subject to these articles) by ordinary resolution appoint another person who is willing to act to be a director in his place.

16.8 Persons Eligible as Directors

No person other than a director retiring at the meeting shall be appointed or re-appointed a director at any general meeting unless:-

- (a) he is recommended by the board; or
- (b) not less than seven nor more than 42 days before the day appointed for the meeting, notice in writing by a member qualified to vote at the meeting (not being the person to be proposed) has been given to the secretary of the intention to propose that person for appointment or re-appointment together with confirmation in writing by that person of his willingness to be appointed or re-appointed.

16.9 Position of Retiring Directors

A director who retires at an annual general meeting may, if willing to continue to act, be re-appointed. If he is re-appointed he is treated as continuing in office throughout. If he is not re-appointed, he shall

retain office until the end of the meeting or (if earlier) when a resolution is passed to appoint someone in his place or when a resolution to re-appoint the director is put to the meeting and lost.

16.10 Vacation of Office by Directors

Without prejudice to the provisions for retirement contained in these articles, the office of a director shall be vacated if:-

- (a) he resigns his office by notice in writing sent to or received at the office or at an address specified by the company for the purposes of communication by electronic means or tendered at a meeting of the board; or
- (b) by notice in writing sent to or received at the office or at an address specified by the company for the purposes of communication by electronic means or tendered at a meeting of the board, he offers to resign and the board resolves to accept such offer; or
- (c) by notice in writing sent to or received at the office or at an address specified by the company for the purposes of communication by electronic means or tendered at a meeting of the board, his resignation is requested by all of the other directors and all of the other directors are not less than three in number; or
- (d) he is or has been suffering from mental or physical ill health and the board resolves that his office is vacated; or
- (e) he is absent without the permission of the board from meetings of the board (whether or not an alternate director appointed by him attends) for six consecutive months and the board resolves that his office is vacated; or
- (f) he becomes bankrupt or compounds with his creditors generally; or
- (g) he is prohibited by law from being a director; or
- (h) he ceases to be a director by virtue of the Companies Acts or is removed from office pursuant to these articles.

If the office of a director is vacated for any reason, he shall cease to be a member of any committee or sub-committee of the board.

16.11 Alternate Directors

- 16.11.1 Each director may appoint any person to be his alternate and may at his discretion remove an alternate director so appointed. If the alternate director is not already a director, the appointment, unless previously approved by the board, shall have effect only upon and subject to its being so approved. Any appointment or removal of an alternate director shall be effected by notice in writing signed by the appointor and sent to or received at the office or at an address specified by the company for the purpose of communication by electronic means or tendered at a meeting of the board, or in any other manner approved by the board. An alternate director shall be entitled to receive notice of all meetings of the board or of committees of the board of which his appointor is a member. He shall also be entitled to attend and vote as a director at any such meeting at which the director appointing him is not personally present and at such meeting to exercise and discharge all the functions, powers, rights and duties of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these articles shall apply as if he were a director.

- 16.11.2 Every person acting as an alternate director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these articles relating to directors and shall during his appointment be an officer of the company. An alternate director shall alone be responsible to the company for his acts and defaults and shall not be deemed to be the agent of or for the director appointing him. An alternate director may be paid expenses and shall be entitled to be indemnified by the company to the same extent as if he were a director. An alternate director shall not be entitled to receive from the company any fee in his capacity as an alternate director but the company shall, if so requested in writing by the appointor, pay to the alternate director any part of the fees or remuneration otherwise due to the appointor.
- 16.11.3 A director or any other person may act as an alternate director to represent more than one director. Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director but he shall count as only one for the purposes of determining whether a quorum is present. Signature by an alternate director of any resolution in writing of the board or a committee of the board shall, unless the notice of his appointment provides to the contrary, be as effective as signature by his appointor.
- 16.11.4 An alternate director shall cease to be an alternate director:-
- (a) if his appointor ceases for any reason to be a director except that, if at any meeting any director retires but is re-appointed at the same meeting, any appointment made by him pursuant to this article which was in force immediately before his retirement shall remain in force as though he had not retired; or
 - (b) on the happening of any event which if he were a director would cause him to vacate his office as director; or
 - (c) if he resigns his office by notice in writing to the company.

16.12 Executive Directors

The board, acting by a disinterested quorum of directors or any committee authorised by the board may from time to time appoint one or more directors to hold any employment or executive office with the company for such period and upon such other terms as the board or any committee authorised by the board may in its discretion decide and may revoke or terminate any appointment so made. Any revocation or termination of the appointment shall be without prejudice to any claim for damages that the director may have against the company or the company may have against the director for any breach of any contract of service between him and the company which may be involved in the revocation or termination. A director so appointed shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board, acting by a disinterested quorum of directors or any committee authorised by the board may decide, and either in addition to or *in lieu* of his remuneration as a director.

17. FEES, REMUNERATION, EXPENSES AND PENSIONS

17.1 Directors' Fees

Each of the directors shall be paid a fee at such rate as may from time to time be determined by the board provided that the aggregate of all fees so paid to directors (excluding amounts payable under any other provision of these articles) shall not exceed six-hundred thousand pounds (£600,000) per annum or such higher amount as may from time to time be decided by an ordinary resolution of the company.

17.2 Additional Remuneration

Any director who performs services which in the opinion of the board, acting by a disinterested quorum of directors or any committee authorised by the board go beyond the ordinary duties of a director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board, acting by a disinterested quorum of directors or any committee authorised by the board may in its discretion decide in addition to any remuneration provided for by or pursuant to any other article.

17.3 Expenses

Each director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the board or committees of the board or general meetings of the company or any other meeting which as a director he is entitled to attend and shall be paid all other costs and expenses properly and reasonably incurred by him in the conduct of the company's business or in the discharge of his duties as a director, and if any director is required to perform extra services or to reside abroad or shall be specifically occupied about the company's business, he or she shall be entitled to receive such remuneration as is determined by the board, acting by a disinterested quorum of directors, which may be either in addition to or in substitution for any other remuneration, subject to article 17.1 above. The company may also fund a director's or former director's expenditure and that of a director or former director of any holding company of the company for the purposes permitted under the Companies Acts and may do anything to enable a director or former director or a director or former director of any holding company of the company to avoid incurring such expenditure as provided in the Companies Acts.

18. DIRECTORS' INTERESTS

18.1 Conflicts of Interest Requiring Board Authorisation

- 18.1.1 The board may, subject to the quorum and voting requirements set out in this article, authorise any matter which would otherwise involve a director breaching his duty under the Companies Acts to avoid conflicts of interest ("Conflict").
- 18.1.2 A director seeking authorisation in respect of a Conflict shall declare to the board the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the board with such details of the relevant matter as are necessary for the board to decide how to address the Conflict together with such additional information as may be requested by the board.
- 18.1.3 Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the board shall be effected in the same way that any other matter may be proposed to and resolved upon by the board under the provisions of these articles save that:
- (a) the relevant director and any other director with a similar interest shall not count towards the quorum nor vote on any resolution giving such authority; and
 - (b) the relevant director and any other director with a similar interest may, if the other members of the board so decide, be excluded from any board meeting while the Conflict is under consideration.
- 18.1.4 Where the board gives authority in relation to a Conflict, or where any of the situations described in Article 18.2.2 apply in relation to a director ("**Relevant Situation**"):
- (a) the board may (whether at the relevant time or subsequently) (a) require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the board or otherwise) related to the Conflict or Relevant Situation; and (b) impose upon the relevant director such other terms for

the purpose of dealing with the Conflict or Relevant Situation as it may determine;

- (b) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the board in relation to the Conflict or Relevant Situation;
- (c) the board may provide that where the relevant director obtains (otherwise than through his position as a director of the company) information that is confidential to a third party, the director will not be obliged to disclose that information to the company, or to use or apply the information in relation to the company's affairs, where to do so would amount to a breach of that confidence;
- (d) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- (e) the board may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

18.2 Other Conflicts of Interest

18.2.1 If a director is in any way directly or indirectly interested in a proposed contract with the company or a contract that has been entered into by the company, he must declare the nature and extent of that interest to the directors in accordance with the Companies Acts.

18.2.2 Provided he has declared his interest in accordance with paragraph 18.2.1, a director may:

- (a) be party to, or otherwise interested in, any contract with the company or in which the company has a direct or indirect interest;
- (b) hold any other office or place of profit with the company (except that of auditor) in conjunction with his office of director for such period and upon such terms, including as to remuneration, as the board may decide;
- (c) act by himself or through a firm with which he is associated in a professional capacity for the company or any other company in which the company may be interested (otherwise than as auditor);
- (d) be or become a director or other officer of, or employed by or otherwise be interested in any holding company or subsidiary company of the company or any other company in which the company may be interested; and
- (e) be or become a director of any other company in which the company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of his appointment as a director of that other company.

18.3 Benefits

A director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the company or the members for any remuneration, profit or other benefit realised by reason of his having any type of interest authorised under Article 18.1.1 or permitted under Article 18.2.2 and no contract shall be liable to be avoided on the grounds of a director having any type of interest authorised under Article 18.1.1 or permitted under Article 18.2.2.

18.4 Quorum and Voting Requirements

- 18.4.1 A director shall not vote on or be counted in the quorum in relation to any resolution of the board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the company or any other company in which the company is interested.
- 18.4.2 Where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to offices or places of profit with the company or any other company in which the company is interested, a separate resolution may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the appointment of another director to an office or place of profit with a company in which the company is interested and the director seeking to vote or be counted in the quorum has a Relevant Interest in it.
- 18.4.3 A director shall not vote on, or be counted in the quorum in relation to, any resolution of the board in respect of any contract in which he has an interest and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that interest cannot reasonably be regarded as likely to give rise to a conflict of interest or where that interest arises only from one or more of the following matters:-
- (a) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the company or any of its subsidiary undertakings;
 - (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (c) the giving to him of any other indemnity where all other directors are also being offered indemnities on substantially the same terms;
 - (d) the funding by the company of his expenditure on defending proceedings or the doing by the company of anything to enable him to avoid incurring such expenditure where all other directors are being offered substantially the same arrangements;
 - (e) where the company or any of its subsidiary undertakings is offering securities in which offer the director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
 - (f) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the company or by reason of any other interest in or through the company;
 - (g) any contract concerning any other company (not being a company in which the director has a Relevant Interest) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
 - (h) any contract concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or

disability benefits scheme or employees' share scheme which relates both to directors and employees of the company or of any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;

- (i) any contract for the benefit of employees of the company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (j) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any director or directors or for, or for the benefit of, persons who include directors.

18.4.4 For the purposes of this clause 18.4, a company shall be deemed to be one in which a director has a "**Relevant Interest**" if and so long as (but only if and so long as) he is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of that company (calculated exclusive of any shares of that class in that company held as treasury shares) or of the voting rights available to members of that company. In relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

18.4.5 Where a company in which a director has a Relevant Interest is interested in a contract, he also shall be deemed interested in that contract.

18.4.6 If any question shall arise at any meeting of the board as to the interest of a director (other than the chairman of the meeting) in a contract and whether it is likely to give rise to a conflict of interest or as to the entitlement of any director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the director concerned shall be conclusive except in a case where the nature or extent of the director's interest (so far as it is known to him) has not been fairly disclosed to the board. If any question shall arise in respect of the chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the chairman of the meeting shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chairman of the meeting (so far as it is known to him) has not been fairly disclosed to the board.

18.4.7 Subject to these articles, the board may cause any voting power conferred by the shares in any other company held or owned by the company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company. Subject to these articles, a director may also vote on and be counted in the quorum in relation to any of such matters.

18.5 General

18.5.1 References in Articles 18.1 to 18.4 and in this article to

- (a) a contract include references to any proposed contract and to any transaction or arrangement or proposed transaction or arrangement whether or not constituting a contract; and
- (b) a conflict of interest include a conflict of interest and duty and a conflict of duties.

18.5.2 Subject to Article 20.12, the company may by ordinary resolution suspend or relax the provisions of Articles 18.1 to 18.4 to any extent or ratify any contract not properly authorised by reason of a contravention of any of the provisions of Articles 18.1 to 18.4, provided such ratification is not contrary to the JSE Listings Requirements.

19. POWERS AND DUTIES OF THE BOARD

19.1 General Powers of Company Vested in Board

Subject to these articles and to any directions given by the company in general meeting by special resolution, the business of the company shall be managed by the board which may exercise all the powers of the company whether relating to the management of the business of the company or not. No alteration of these articles and no special resolution shall invalidate any prior act of the board which would have been valid if that alteration had not been made or that resolution had not been passed. The powers given by this article shall not be limited by any special power given to the board by any other article.

19.2 Borrowing Powers

19.2.1 The board may exercise all the powers of the company to borrow money, to guarantee, to indemnify, to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company, to issue debentures and other securities and to give security, whether outright or as collateral security, for any debt, liability or obligation of the company or of any third party shall be issued.

19.2.2 The board shall restrict the borrowings of the company and exercise all voting and other rights or powers of control exercisable by the company in relation to its subsidiary undertakings (if any) so as to secure (but as regards subsidiary undertakings only in so far as by the exercise of the rights or powers of control the board can secure) that, save with the previous sanction of an ordinary resolution, no money shall be borrowed if the aggregate principal amount outstanding of all borrowings by the group (exclusive of borrowings owing by one member of the group to another member of the group) then exceeds, or would as a result of such borrowing exceed, the limits set out in the Company's investment policy from time to time.

19.2.3 Notwithstanding anything to the contrary contained in these articles, the board shall be entitled to authorise and issue any debt instruments, upon such terms and subject to such conditions, as are not precluded or prohibited by the Companies Act or the Listings Requirements, as it may in its discretion determine.

19.3 Agents

19.3.1 The board can appoint anyone as the company's attorney by granting a power of attorney or by authorising them in some other way. Attorneys can either be appointed directly by the board or the board can give someone else the power to select attorneys. The board or the persons who are authorised by it to select attorneys can decide on the purposes, powers, authorities and discretions of attorneys. But they cannot give an attorney any power, authority or discretion which the board does not have under these articles.

19.3.2 The board can decide how long a power of attorney will last for and attach any conditions to it. The power of attorney can include any provisions which the board decides on for the protection and convenience of anybody dealing with the attorney. The power of attorney can allow the attorney to grant any or all of his power, authority or discretion to any other person.

19.3.3 The board can:-

- (a) delegate any of its authority, powers or discretions to any manager or agent of the company;
- (b) allow managers or agents to delegate to another person;
- (c) remove any people it has appointed in any of these ways; and
- (d) cancel or change anything that it has delegated, although this will not affect anybody who acts in good faith who has not had any notice of any cancellation or change.

Any appointment or delegation by the board which is referred to in this article can be on any conditions decided on by the board.

19.3.4 The ability of the board to delegate under this article applies to all its powers and is not limited because certain articles refer to powers being exercised by the board or by a committee authorised by the board while other articles do not.

19.4 Delegation to Individual Directors

The board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

19.5 Registers

The company may keep an overseas or local or other register in any place and the board may make and vary such regulations as it may think fit respecting the keeping of the register.

19.6 Provision for Employees

The board may exercise any power conferred by the Companies Acts to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

20. PROCEEDINGS OF THE BOARD

20.1 Board Meetings

The board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A director at any time may, and the secretary on the requisition of a director at any time shall, summon a board meeting.

20.2 Notice of Board Meetings

Notice of a board meeting shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the company for this purpose. A director may waive his entitlement to notice of any meeting either prospectively or retrospectively and any retrospective waiver shall not affect the validity of the meeting or of any business conducted at the meeting.

20.3 Quorum

The quorum necessary for the transaction of the business of the board may be fixed by the board and, unless so fixed at any other number, shall be three. Subject to the provisions of these articles, any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no other director objects and if otherwise a quorum of directors would not be present.

20.4 Directors below Minimum through Vacancies

The continuing directors or a sole continuing director may act notwithstanding any vacancy in their number but, if and so long as the number of directors is reduced below the minimum number fixed by or in accordance with these articles or is below the number fixed by or in accordance with these articles as the quorum or there is only one continuing director, the continuing directors or director may act for the purpose of filling vacancies or of summoning general meetings of the company but not for any other purpose. If there are no directors or director able or willing to act, then any two members (excluding any member holding shares as treasury shares) may summon a general meeting for the purpose of appointing directors.

20.5 Appointment of Chairman

The board may appoint a director to be the chairman or a deputy chairman of the board, and may at any time remove him from that office. The chairman of the board or failing him a deputy chairman shall act as chairman at every meeting of the board. If more than one deputy chairman is present they shall agree amongst themselves who is to take the chair or, if they cannot agree, the deputy chairman who has been in office as a director longest shall take the chair. But if no chairman of the board or deputy chairman is appointed, or if at any meeting neither the chairman nor any deputy chairman is present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting. References in these articles to a deputy chairman include, if no one has been appointed to that title, a person appointed to a position with another title which the board designates as equivalent to the position of deputy chairman.

20.6 Competence of Meetings

A meeting of the board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions vested in or exercisable by the board.

20.7 Voting

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall not have a second or casting vote.

20.8 Delegation to Committees

20.8.1 The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit, provided that the majority of persons on any committee or sub-committee must be directors. References in these articles to committees include sub-committees permitted under this article.

20.8.2 Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the board. The meetings and proceedings of any committee consisting of two

or more members shall be governed by the provisions contained in these articles for regulating the meetings and proceedings of the board so far as the same are applicable and are not superseded by any regulations imposed by the board.

- 20.8.3 The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

20.9 Participation in Meetings

All or any of the members of the board may participate in a meeting of the board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

20.10 Resolution in Writing

A resolution in writing signed by all the directors who are at the relevant time entitled to receive notice of a meeting of the board and who would be entitled to vote on the resolution at a meeting of the board (if that number is sufficient to constitute a quorum) shall be as valid and effectual as a resolution passed at a meeting of the board properly called and constituted. The resolution may be contained in one document or in several documents in like form each signed by one or more of the directors concerned.

20.11 Validity of Acts of Board or Committee

All acts done by the board or by any committee or by any person acting as a director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the board or committee or person so acting or that they or any of them were disqualified from holding office or had vacated office or were not entitled to vote, be as valid as if each such member or person had been properly appointed and was qualified and had continued to be a director or member of the committee and had been entitled to vote.

20.12 Ratification of ultra vires acts

In accordance with the Listings Rules, save to the extent otherwise agreed with the JSE, it shall not be competent for any resolution to be proposed to the shareholders for adoption if such resolutions would lead to the ratification of an act on behalf of the company that is contrary to the Listings Requirements.

21. SEALS

21.1 Use of Seals

The board shall provide for the custody of every seal of the company. A seal shall only be used by the authority of the board or of a committee of the board authorised by the board in that behalf. Subject as otherwise provided in these articles, and to any resolution of the board or committee of the board dispensing with the requirement for any counter-signature on any occasion, any instrument to which the common seal is applied shall be signed by at least one director and the secretary, or by at least two directors or by one director in the presence of a witness who attests the signature or by such other person or persons as the board may approve. Any instrument to which an official seal is applied need not, unless the board otherwise decides or the law otherwise requires, be signed by any person.

22. DIVIDENDS AND OTHER PAYMENTS

22.1 Declaration of Dividends by Company

The company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the board. Dividends shall be declared in terms of the JSE Listings Requirements. Any dividend paid must not be capable of being repaid on the basis that it may be called up again.

22.2 Payment of Interim and Fixed Dividends by Board

The board may pay such interim dividends as appear to the board to be justified by the financial position of the company and may also pay any dividend payable at a fixed rate at intervals settled by the board whenever the financial position of the company, in the opinion of the board, justifies its payment. If the board acts in good faith, it shall not incur any liability to the holders of any shares for any loss they may suffer in consequence of the payment of an interim or fixed dividend on any other class of shares ranking *pari passu* with or after those shares.

22.3 Calculation and Currency of Dividends

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:-

- (a) all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this article as paid up on the share;
- (b) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the share during any portion or portions of the period in respect of which the dividend is paid; and
- (c) dividends may be declared or paid in any currency.

The board may decide the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.

22.4 Amounts Due on Shares may be Deducted from Dividends

In respect of shares not listed on an exchange operated by the JSE, the board may deduct from any dividend or other moneys payable to a member by the company on or in respect of any shares all sums of money (if any) presently payable by him to the company on account of calls or otherwise in respect of shares of the company. Sums so deducted can be used to pay amounts owing to the company in respect of the shares.

22.5 No Interest on Dividends

Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other moneys payable by the company on or in respect of any share shall bear interest against the company.

22.6 Payment Procedure

Any dividend or other sum payable in cash by the company in respect of a share may be paid by cheque, warrant or similar financial instrument sent by post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the register in respect of the shares at his address as appearing in the register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every cheque, warrant or similar financial instrument shall, unless the holder or joint holders otherwise direct, be made payable to the holder or, in the case of joint holders, to the holder whose name stands first on the register in respect of the shares, and shall be sent at his or their risk and payment of the cheque, warrant or similar financial instrument by the financial institution on which it is drawn shall constitute a good discharge to the company. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or such other means including, in respect of uncertificated shares, by means of the facilities and requirements of a relevant system and to or through such person as the holder or joint holders may in writing direct and the company may agree, and the making of such

payment shall be a good discharge to the company and the company shall have no responsibility for any sums lost or delayed in the course of payment by any such system or other means or where it has acted on any such directions and accordingly, payment by any such system or other means shall constitute a good discharge to the company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares held by them. Where a person is entitled by transmission to a share, any dividend or other sum payable by the company in respect of the share may be paid as if he were a holder of the share and his address noted in the register were his registered address and where two or more persons are so entitled, any one of them may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares.

22.7 Uncashed Dividends

The company may cease to send any cheque, warrant or similar financial instrument through the post or to employ any other means of payment, including payment by means of a relevant system, for any dividend payable on any shares in the company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques, warrants or similar financial instruments have been returned undelivered or remain uncashed during or at the end of the period for which the same are valid or that means of payment has failed. In addition, the company may cease to send any cheque, warrant or similar financial instrument through the post or may cease to employ any other means of payment if, in respect of one dividend payable on those shares, the cheque, warrant or similar financial instrument has been returned undelivered or remains uncashed during or at the end of the period for which the same is valid or that means of payment has failed and reasonable enquiries have failed to establish any new postal address or account of the holder. Subject to the provisions of these articles, the company must recommence sending cheques, warrants or similar financial instruments or employing such other means in respect of dividends payable on those shares if the holder or person entitled by transmission requests such recommencement in writing.

22.8 Forfeiture of Unclaimed Dividends

All dividends or other sums payable on or in respect of any shares which remain unclaimed may be invested or otherwise made use of by the board for the benefit of the company until claimed. Any Distributions, other than dividends made by the company from time to time, in the form of monies shall be held by the company in trust indefinitely until lawfully claimed by the relevant shareholders, but subject to the laws of prescription applicable from time to time, or until the company is wound up.

22.9 Dividends Not in Cash

Any general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution direct, and the board may in relation to any interim dividend direct, that it shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, and where any difficulty arises in regard to the distribution the board may settle it as it thinks expedient, and in particular may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any assets or any part thereof to be distributed and may determine that cash shall be paid to any members upon the footing of the value so fixed in order to secure equality of distribution and may vest any assets to be distributed in trustees as may seem expedient to the board.

22.10 Scrip Dividends

The board may, if authorised by an ordinary resolution of the company, offer any holders of ordinary shares (excluding any member holding shares as treasury shares) the right to elect to receive ordinary shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the board) of any dividend specified by the ordinary resolution. The following provisions shall apply:-

- (a) an ordinary resolution may specify some or all of a particular dividend (whether or not already declared) or may specify some or all of any dividends declared or paid within a specified period, but such period may

not end later than the fifth anniversary of the date of the meeting at which the ordinary resolution is passed;

- (b) the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forgo. For this purpose "**relevant value**" shall be calculated by reference to the average of the middle market quotations for the company's ordinary shares on the London Stock Exchange as derived from the Daily Official List (or any other publication of a recognised investment exchange showing quotations for the company's ordinary shares) on such five consecutive dealing days as the board shall determine provided that the first of such days shall be on or after the day on which the ordinary shares are first quoted "ex" the relevant dividend or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount and in giving such a certificate or report the auditors may rely on advice or information from brokers or other sources of information as they think fit;
- (c) no fraction of any ordinary share shall be allotted. The board may make such provisions as it thinks fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit thereof accrues to the company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any holder of ordinary shares and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such holder of fully paid ordinary shares and/or provisions whereby cash payments may be made to such holders in respect of their fractional entitlements;
- (d) the board, if it intends to offer an election in respect of any dividend, shall give notice to the holders of ordinary shares of the right of election offered to them, and specify the procedure to be followed which, for the avoidance of doubt, may include an election by means of a relevant system and the place at which, and the latest time by which, elections must be lodged in order for elections to be effective; no such notice need be given to holders of ordinary shares who have previously given election mandates in accordance with this article and whose mandates have not been revoked; the accidental omission to give notice of any right of election to, or the non receipt (even if the company becomes aware of such non-receipt) of any such notice by, any holder of ordinary shares entitled to the same shall neither invalidate any offer of an election nor give rise to any claim, suit or action;
- (e) the board shall not proceed with any election unless the company has sufficient reserves or funds that may be capitalised, and the board has authority to allot sufficient shares, to give effect to it after the basis of allotment is determined;
- (f) the board may exclude from any offer or make other arrangement in relation to any holders of ordinary shares where the board believes that such exclusion or arrangement is necessary or expedient in relation to legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory, or the board believes that for any other reason the offer should not be made to them;
- (g) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in

respect of which an election has been made (for the purposes of this article "**the elected ordinary shares**") and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated. For such purpose the board shall capitalise, out of any amount standing to the credit of any reserve or fund (including the profit and loss account or retained earnings) at the relevant time whether or not the same is available for distribution as the board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of ordinary shares for allotment and distribution to the holders of the elected ordinary shares on that basis. The board may do all acts and things considered necessary or expedient to give effect to any such capitalisation;

- (h) the additional ordinary shares when allotted shall rank *pari passu* in all respects with the fully-paid ordinary shares then in issue except that they will not be entitled to participation in the relevant dividend;
- (i) unless the board otherwise determines, or unless the uncertificated securities rules otherwise require, the new ordinary share or shares which a member has elected to receive instead of cash in respect of the whole (or some part) of the specified dividend declared or paid in respect of his elected ordinary shares shall be in uncertificated form (in respect of the member's elected ordinary shares which were in uncertificated form on the date of the member's election) and in certificated form (in respect of the member's elected ordinary shares which were in certificated form on the date of the member's election);
- (j) the board may also from time to time establish or vary a procedure for election mandates, which, for the avoidance of doubt, may include an election by means of a relevant system, under which a holder of ordinary shares may elect in respect of future rights of election offered to that holder under this article until the election mandate is revoked or deemed to be revoked in accordance with the procedure;
- (k) the board may decide how any costs relating to making new shares available in place of a cash dividend will be met, including deciding to deduct an amount from the entitlement of a shareholder under this article; and
- (l) at any time before new ordinary shares are allotted instead of cash in respect of any part of a dividend, the board may determine that such new ordinary shares will not be allotted. Any such determination may be made before or after any election has been made by holders of ordinary shares in respect of the relevant dividend.

23. CAPITALISATION OF RESERVES

23.1 Power to Capitalise Reserves and Funds

The company may, upon the recommendation of the board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount standing to the credit of any reserve or fund (including retained earnings) at the relevant time whether or not the same is available for distribution and accordingly that the amount to be capitalised be set free for distribution among the members or any class of members who would be entitled to it if it were distributed by way of dividend and in the same proportions, on the footing that it is applied either in or towards paying up the amounts unpaid at the relevant time on any shares in the company held by those members respectively or in paying up in full shares, debentures or other obligations of the company to be allotted and distributed credited as fully paid up among those members, or partly in one way and partly in the other, but so that, for the purposes of this article: (a) a share premium

account and a capital redemption reserve, and any reserve or fund representing unrealised profits, may be applied only in paying up in full shares of the company that are to be allotted and distributed as fully paid up; and (b) where the amount capitalised is applied in paying up in full shares that are to be allotted and distributed as fully paid up, the company will also be entitled to participate in the relevant distribution in relation to any shares of the relevant class held by it as treasury shares and the proportionate entitlement of the relevant class of members to the distribution will be calculated accordingly. The board may authorise any person to enter into an agreement with the company on behalf of the persons entitled to participate in the distribution and the agreement shall be binding on those persons.

23.2 Settlement of Difficulties in Distribution

Where any difficulty arises in regard to any distribution of any capitalised reserve or fund the board may settle the matter as it thinks expedient and in particular may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the board.

24. RECORD DATES

24.1 Power to Choose Any Record Date

24.1.1 Notwithstanding any other provision of these articles, while the shares of the company remain admitted to the list maintained by the JSE, the record date for the purposes of determining shareholder rights shall be determined in accordance with the Listings Requirements.

24.1.2 Should the Listings Requirements not provide a manner for determining the record date in any specific circumstance, or should the shares of the company no longer be admitted to the list maintained by the JSE, then the company or the board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made. The power to fix any such record date shall include the power to fix a time on the chosen date.

25. Records and Summary Financial Statements

25.1 Inspection of Records

No member in his capacity as such shall have any right of inspecting any accounting record or book or document of the company except as conferred by law, ordered by a court of competent jurisdiction or authorised by the board or by ordinary resolution of the company or as provided for in the Listings Requirements.

25.2 Financial Statements

The company may send or supply summary financial statements to members of the company instead of copies of its full accounts and reports. provided that, while the shares of the company remain admitted to the list maintained by the JSE, the annual financial statements, or summary financial statements, must be distributed to the Shareholders by no less than 15 business days prior to the annual general meeting at which the annual financial statements will be presented.

26. SERVICE OF NOTICES, DOCUMENTS AND OTHER INFORMATION

26.1 Method of Service

26.1.1 Any notice, document (including a share certificate) or other information may be served on or sent or supplied to any member by the company:-

- (a) personally;
- (b) by sending it through the post addressed to the member at his registered address or by leaving it at that address addressed to the member;
- (c) by means of a relevant system;
- (d) where appropriate, by sending or supplying it in electronic form to an address notified by the member to the company for that purpose;
- (e) where appropriate, by making it available on a website and notifying the member of its availability in accordance with this article; or
- (f) by any other means authorised in writing by the member.

In the case of joint holders of a share, service, sending or supply of any notice, document or other information on or to one of the joint holders shall for all purposes be deemed a sufficient service on or sending or supplying to all the joint holders.

- 26.1.2 In addition to article 26.1.1 above, while the shares of the company remain admitted to the list maintained by the JSE, the distribution of any notice, document or other information to be supplied to members by the company shall be announced on SENS.
- 26.1.3 Without prejudice to Article 26.1.2, the company may at any time and in its sole discretion choose to serve, send or supply notices, documents or other information in hard copy form alone to some or all members.
- 26.1.4 In the case of joint holders of a share, anything to be agreed or specified in relation to any notice, document or other information to be served on or sent or supplied to them may be agreed or specified by any one of the joint holders and the agreement or specification of the senior shall be accepted to the exclusion of that of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
- 26.1.5 If on three consecutive occasions any notice, document or other information served on or sent or supplied to a member has been returned undelivered, such member shall not thereafter be entitled to receive notices, documents or other information from the company until he shall have communicated with the company and supplied to the company (or its agent) a new registered address, or a postal address within the United Kingdom for the service of notices and the despatch or supply of documents and other information, or shall have informed the company of an address for the service of notices and the despatch or supply of documents and other information in electronic form. For these purposes, any notice, document or other information sent by post shall be treated as returned undelivered if the notice, document or other information is served, sent or supplied back to the company (or its agents) and a notice, document or other information served, sent or supplied in electronic form shall be treated as returned undelivered if the company (or its agents) receives notification that the notice, document or other information was not delivered to the address to which it was sent.

26.2 Record Date for Service

Any notice, document or other information may be served, sent or supplied by the company by reference to the register as it stands at any time not more than 15 days before the date of service, sending or supply. No change in the register after that time shall invalidate that service, sending or supply. Where any notice, document or other information is served on or sent or supplied to any person in respect of a share in accordance with these articles, no person deriving any title or interest

in that share shall be entitled to any further service, sending or supply of that notice, document or other information.

26.3 Members Resident Abroad or on Branch Registers

A notice required in terms of the Listings Requirements, the Companies Act or these articles to be given to shareholders shall be delivered by the company to all shareholders either by sending it by post or by electronic media to any of the registered addresses provided by the shareholders and recorded in the share register. If a shareholder has not nominated an address to the company, that shareholder shall be deemed to have waived his right to be served with notices.

26.4 Service of Notice on Person Entitled by Transmission

A person who is entitled by transmission to a share, upon supplying the company with a postal address within the United Kingdom for the service of notices and the despatch or supply of documents and other information shall be entitled to have served upon or sent or supplied to him at such address any notice, document or other information to which he would have been entitled if he were the holder of that share or, where applicable, to be notified at that address of the availability of the notice, document or other information on a website. A person who is entitled by transmission to a share, upon supplying the company with an address for the purposes of communications by electronic means for the service of notices and the despatch or supply of documents and other information may have served on, sent or supplied to him at such address any notice, document or other information to which he would have been entitled if he were the holder of that share or, where applicable, may be notified at that address of the availability of the notice, document or other information on a website. In either case, such service, sending or supply shall for all purposes be deemed a sufficient service, sending or supply of such notice, document or other information on all persons interested (whether jointly with or as claimants through or under him) in the share. Otherwise, any notice, document or other information served on or sent or supplied to any member pursuant to these articles shall, notwithstanding that the member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the company has notice of the death, bankruptcy or other event, be deemed to have been properly served, sent or supplied in respect of any share registered in the name of that member as sole or joint holder.

26.5 Deemed Delivery

- 26.5.1 Any notice, document or other information, if served, sent or supplied by the company by post, shall be deemed to have been received on the day following that on which it was posted if first class post was used or 48 hours after it was posted if first class post was not used and, in proving that a notice, document or other information was served, sent or supplied, it shall be sufficient to prove that the notice, document or other information was properly addressed, prepaid and put in the post.
- 26.5.2 Any notice, document or other information not served, sent or supplied by post but left by the company at a registered address or at an address (other than an address for the purposes of communications by electronic means) notified to the company in accordance with these articles by a person who is entitled by transmission to a share shall be deemed to have been received on the day it was so left.
- 26.5.3 Any notice, document or other information served, sent or supplied by the company by means of a relevant system shall be deemed to have been received when the company or any sponsoring system-participant acting on its behalf sends the issuer-instruction relating to the notice, document or other information.
- 26.5.4 Any notice, document or other information served, sent or supplied by the company using electronic means shall be deemed to have been received on the day on which it was sent notwithstanding that the company subsequently sends a hard copy of such notice, document or information by post. Any notice, document or other information made available on a website shall be deemed to have been

received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to this article. In proving that a notice, document or other information served, sent or supplied by electronic means was served, sent or supplied, it shall be sufficient to prove that it was properly addressed.

- 26.5.5 Any notice, document or other information served, sent or supplied by the company by any other means authorised in writing by the member concerned shall be deemed to have been received when the company has carried out the action it has been authorised to take for that purpose.

26.6 Notice When Post Not Available

Subject to the Listings Rules, if there is a suspension or curtailment of postal services within the United Kingdom or some part of the United Kingdom, the company need only give notice of a general meeting to those members with whom the company can communicate by electronic means and who have provided the company with an address for this purpose. The company shall also advertise the notice in at least one newspaper with a national circulation and make it available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof. If at least six clear days prior to the meeting the sending or supply of notices by post in hard copy form has again become generally possible, the company shall send or supply confirmatory copies of the notice by post to those members who would otherwise receive the notice in hard copy form.

27. DESTRUCTION OF DOCUMENTS

27.1 Presumptions Where Documents Destroyed

If the company destroys or deletes:-

- (a) any share certificate which has been cancelled at any time after a period of one year has elapsed from the date of cancellation, or
- (b) any instruction concerning the payment of dividends or other moneys in respect of any share or any notification of change of name or address at any time after a period of two years has elapsed from the date the instruction or notification was recorded by the company, or
- (c) any instrument of transfer of shares or Operator-instruction for the transfer of shares which has been registered by the company at any time after a period of six years has elapsed from the date of registration, or
- (d) any instrument of proxy which has been used for the purpose of a poll at any time after a period of one year has elapsed from the date of use, or
- (e) any instrument of proxy which has not been used for the purpose of a poll at any time after a period of one month has elapsed from the end of the meeting to which the instrument of proxy relates, or
- (f) any other document on the basis of which any entry is made in the register at any time after a period of six years has elapsed from the date the entry was first made in the register in respect of it

and the company destroys or deletes the document or instruction in good faith and without express notice that its preservation was relevant to a claim, it shall be presumed irrebuttably in favour of the company that every share certificate so destroyed was a valid certificate and was properly cancelled, that every instrument of transfer or Operator-instruction so destroyed or deleted was a valid and effective instrument of transfer or instruction and was properly registered and that every other document so destroyed was a valid and effective document and that any particulars of it which are recorded in the books or records of the company were correctly recorded. If the documents relate to

uncertificated shares, the company must comply with any requirements of the uncertificated securities rules which limit its ability to destroy these documents. Nothing contained in this article shall be construed as imposing upon the company any liability which, but for this article, would not exist or by reason only of the destruction of any document of the kind mentioned above before the relevant period mentioned in this article has elapsed or of the fact that any other condition precedent to its destruction mentioned above has not been fulfilled. References in this article to the destruction of any document include references to its disposal in any manner.

28. INDEMNITY

28.1 Indemnity of Directors

To the extent permitted by the Companies Acts, the company may indemnify any director or former director of the company or of any associated company against any liability and may purchase and maintain for any director or former director of the company or of any associated company insurance against any liability. No director or former director of the company or of any associated company shall be accountable to the company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.

29. AMENDMENTS TO ARTICLES BY SPECIAL RESOLUTION

29.1 Without limiting or detracting from any other provision in the Companies Act providing for the amendment of these articles, the board must, while the shares of the company remain admitted to the list maintained by the JSE, and prior to submitting any amendments for approval by the shareholders in terms of article 11.11 above, submit any proposed amendments to these articles to the JSE for approval in accordance with the Listings Requirements.

29.2 Subject to Article 29.3, any proposed resolution that relates to the amendment of these articles and any of the actions set out at articles 29.2(a)-(g) below must be passed by way of a special resolution at a meeting of the ordinary shareholders:

- (a) create any class of shares;
- (b) vary any preferences, rights, or limitations attaching to any class of shares;
- (c) convert one class of shares into one or more other classes;
- (d) increase the number of shares of any class;
- (e) consolidate shares;
- (f) amend the Articles or the memorandum of incorporation of the Company;
- (g) sub-divide shares; and
- (h) change the name of the company

29.3 For the avoidance of doubt, it is recorded that if any proposed resolution, including a resolution proposing an amendment to these articles relates to the variation of any preferences, rights, limitations and/or other share terms attaching to any class of shares other than the ordinary shares, such resolution must be passed by way of a special resolution of the holders of shares in that class at a separate meeting of such holders of shares and a special resolution of the ordinary shareholders. In such instances, the holders of shares in the relevant class may also be allowed to vote at the meeting of ordinary shareholders, if permitted in terms of the terms regulating the relevant class and subject to the restrictions set out in Listings requirements. Where such resolution is proposed to be passed. It shall not be competent for the preferences, rights, limitations or other terms of any class of shares to be

varied, nor shall it be competent for any resolution to be proposed to shareholders, for rights to include such variation in response to any ascertainable external fact or facts.

30. COMPLIANCE WITH LISTING REQUIREMENTS

Notwithstanding anything to the contrary in these articles, the company and the board shall, for so long as the company's shares are admitted to the list maintained by the JSE, ensure that all corporate actions undertaken by the company are done in accordance with the Listings Requirements, to the extent applicable. In particular, the company shall ensure that when it undertakes the following corporate actions, that this is done in compliance with the Listings Requirements:

- 30.1 the issue of shares for cash and options and convertible securities granted/issued for cash;
- 30.2 the repurchase of securities by the company; and
- 30.3 the alteration of the company's share capital, authorised shares and rights attaching to a class/es of shares.

PART 3: SUMMARY OF THE NEW MANAGEMENT INCENTIVE SCHEME

Introduction

Tiso Blackstar Group SE's ("**Tiso Blackstar**" or "**the Company**") businesses operate in competitive markets and rely on the skills of high calibre people. The Company must be able to retain and incentivise its key employees and align their objectives with those of shareholders. It also requires incentive structures to attract further key people should the need arise.

Long term incentive

From 1 July 2016 the Company has consolidated the earnings of its underlying subsidiaries and no longer reports its financial results as an Investment Entity, i.e. it will no longer carry its investment at fair value.

As a result of this change, the Board believes that share price will be driven over time by the Company's consolidated earnings and cash flows, making the existing management share incentive scheme redundant. As of 1 July 2016, the Board has cancelled this scheme and no further awards have or will be made under it since that date.

The Company intends to adopt a new long term incentive scheme in the form of a Forfeitable Share Plan ("**FSP**") in order to incentivise, motivate and retain the right calibre of employees.

The FSP provides participants with the opportunity to be awarded forfeitable shares in the Company. Through the delivery of real Tiso Blackstar shares, participants will become shareholders in the Company and will have all rights enjoyed by shareholders (including the rights to dividends when declared).

These Forfeitable Shares will only Vest to the extent that the Performance Condition and Employment Condition are achieved over the Performance Period and Employment Period (as applicable). Performance Conditions are linked to key drivers of share price including earnings growth, return on invested capital and total shareholder returns.

The salient features of the FSP are detailed below. Where terms are capitalised, these terms bear the defined meaning as per the definitions contained in the FSP rules.

Purpose

The FSP will be primarily used as an incentive to Participants to deliver the Group's business strategy over the long-term. The FSP will incentivise, motivate and retain eligible employees. The Awards made under the FSP are collectively referred to as Forfeitable Shares.

Details regarding the types of instruments are set out below:

- **Performance Shares:** In the form of regular annual awards, the Vesting of which is subject to the satisfaction of Performance Conditions and the Employment Condition in line with the Group's approach to performance related incentives. The Remuneration Committee will set appropriate Performance Conditions; and
- **Retention Shares:** Only awarded in instances where the Remuneration Committee recognises key talent instrumental in delivering the Group's business strategy. The Vesting of Retention Shares is only subject to the satisfaction of the Employment Condition. For the avoidance of doubt, these will not be made on an annual basis, nor will they be made to the Chief Executive Officer and the Financial Director.

The extent and nature of Performance Conditions applicable to the Performance Shares will be approved by the Remuneration Committee annually and specifically included in the Award Letter to Participants. The Employment Condition applicable to all Retention Shares is the requirement for continued employment of the Participant by the Company, or any Employer Company.

Participants

It is envisaged that participation in terms of the FSP will be limited to executives, senior management and other key employees. The final decision regarding participation will remain at the Remuneration Committee's discretion and therefore the rules will be drafted flexibly to allow participation by any permanent employee within the Group.

Participation is not a condition of employment, and the Remuneration Committee retains absolute discretion regarding the making of an Award to any employee in terms of the FSP.

Rights of Participants

In terms of the FSP, Participants will become owners of the Forfeitable Shares from the Settlement Date, shortly after the Award Date. As owners of Forfeitable Share the Participants will have shareholder voting rights and receive dividends from the Award date until the Vesting Date. The Forfeitable Shares cannot be disposed of by the Participant prior to the Vesting Date and will be subject to forfeiture and disposal restrictions until the Vesting Date.

Basis of Awards and Award levels

In line with the requirements of King III, King IV and best practice, regular, annual Awards of Performance Shares will be made on a consistent basis to ensure alignment in achieving long-term shareholder value creation.

Award levels will be decided by the Remuneration Committee each time that Awards are made, by taking into account the particular circumstances at that time e.g. company affordability, retention considerations, and exceptional company performance. Annual allocations will be benchmarked and set to a market-related level of remuneration whilst considering the overall affordability thereof to the Company.

Performance Conditions and Vesting

It is envisaged that the first Awards of Performance Shares will be made subject to the following Performance Conditions over a Performance Period of 3 years:

	Performance Condition	Weight	Description	Targets
1	Headline Earnings per Share (HEPS) growth	35% [25%][**]	HEPS growth is measured by calculating the compounded average growth rate (CAGR) in HEPS from the base year HEPS (being the HEPS from the financial year preceding the start of the performance period) to the HEPS at the end of the Performance Period, relative to the HEPS growth targets.	<ul style="list-style-type: none"> 30% Vesting – CAGR HEPS equal to CPIX* + 1% per annum over the Performance Period 100% Vesting – CAGR HEPS equal to CPIX* + GDP% + 3% per annum over the Performance Period
2	Return on Capital Employed (ROCE)	35% [25%]	<p>Measured with reference to average ROCE¹ achieved over the Performance Period relative to the performance targets.</p> <p>¹ROCE = The ratio of EBIT to capital employed (weighted average market capitalisation plus net debt).</p>	<ul style="list-style-type: none"> 30% Vesting – ROCE equals average WACC² over the Performance Period 100% Vesting – ROCE equals average WACC over the Performance

			² WACC = weighted average cost of capital at the company's targeted debt to equity ratio – WACC for the first award is 12.55%.	Period + 3%
3	Other Financial and Non-Financial Performance Measures	30% [25%]	<p>Achievement of strategic and operational financial and non-financial objectives as applicable over the period, including:</p> <ul style="list-style-type: none"> • working capital management • expense control • cash generation • debt management • transformation • other key metrics including, market share maintenance, circulation stability, content quality maintenance, relationship management and customer satisfaction. 	<ul style="list-style-type: none"> • Working capital relative to budgeted levels. • Expenses relative to budgeted amounts. • Cash EBITDA conversion ratio of greater than 50% for core businesses over the period. • Debt levels relative to covenants over the period. • B-B-BEE rating over the period. • Achievement of other key metrics in line with set targets. <p>Each item will be scored - the achieved score divided by the total available score will generate a vesting percentage (threshold at 30%).</p>
4	Total Shareholder Return (TSR) **	[25%]	<p>TSR is measured with reference to the compound annual growth rate (CAGR) achieved in TSR over the Performance Period relative to the TSR targets.</p> <p>TSR is defined to be the compound annual growth rate on the Company's share purchased on the start date of the Performance Period, holding the share, and reinvesting the dividends received from the share, until the end date of the Performance Period, and then selling the share on that day.</p>	<ul style="list-style-type: none"> • 30% Vesting – TSR equals CPIX* + 5% • 100% Vesting – TSR equals CPIX* + 7%

* Consumer Price Index

** For the most senior executives, namely the CEO and CFO, in addition to 3 stated performance conditions, the first Awards of Performance Shares will also be subject a 4th additional performance condition, namely Total shareholder return over a three year period. Their corresponding weightings are indicated by square brackets [].

Linear Vesting will be applied for performance between levels.

The Remuneration Committee will set appropriate Performance Conditions, Performance Periods, Employment Conditions and Employment Periods, as relevant, for each Award, taking into account the business environment at the time of making the Awards, and where considered necessary, in consultation with shareholders. All conditions relating to Awards will be agreed with the Participants in terms of individual Award Letters.

Manner of Settlement

The Rules of the FSP are flexible in order to allow for Settlement in any of the following manners:

- by way of a market purchase of Shares;
- use of treasury Shares;
- issue of Shares.

The exact method of Settlement will be determined by the Remuneration Committee, although the preference will be a market purchase of Shares.

In order to effect any forfeiture of Awards, the Forfeitable Shares will be held by an escrow agent on behalf of the Participant until they Vest.

Limits and adjustments

The aggregate number of Shares which may be Settled in respect of this FSP shall not exceed 13,414,563 Shares to all Participants, which equates to approximately 5% of the number of issued Shares as at the date of inception of the FSP by shareholders. This is in line with market best practice.

In determining the number of Shares Settled in respect of this FSP, the number of Shares issued by the Company or Shares held in treasury account used by the Company for Settlement of the FSP, will be included in the company limit. This limit will be calculated to exclude Shares purchased in the market in Settlement of the FSP and Forfeitable Shares which do not subsequently Vest as a result of forfeiture.

The Remuneration Committee must, where required, adjust the company limit (without the prior approval of shareholders in a general meeting), to take account of a sub-division or consolidation of the Shares of the company.

The issue of Shares as consideration for an acquisition, and the issue of Shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to the total or individual limits.

The maximum number of Shares Settled to any single Participant under the FSP shall not exceed 2,682,913 shares, which represents approximately 1% of the number of issued Shares at date of adoption of the FSP.

The Remuneration Committee may, where required, adjust the individual limit to take account of a capitalisation issue, a special distribution, a rights issue or reduction in capital of the Company.

The auditors, or other independent advisor acceptable to the JSE, shall confirm to the JSE in writing that any adjustment made in terms of this paragraph has been properly calculated on a reasonable and equitable basis, in accordance with the rules of the FSP and must be reported on in the Company's financial statements in the year during which the adjustment is made.

Consideration

The Participant will give no consideration for the Award.

Termination of employment

"Fault termination"

Termination due to resignation, dismissal on grounds of misconduct, poor performance, dishonest behaviour or fraudulent conduct, or on the basis of abscondment of a Participant will be classified as a "fault termination" and all unvested Awards of Forfeitable Shares will be forfeited.

"No-fault termination"

Participants terminating employment due to death, ill-health, disability, injury, retrenchment, retirement (except to the extent that it constitutes bad leaver termination as set out above), or the sale of a subsidiary company will be classified as "no-fault termination". In a "no-fault termination" a portion of Award(s) shall Vest on the date of termination of employment. This portion will reflect the number of months served since the Award Date to the date of termination of employment over the total number of months in the Employment Period and the extent to which the Performance Condition (if applicable) has been met with reference to the immediately preceding reporting period. The remainder of the Award(s) will lapse.

Change of Control

In the event of a Change of Control of the Company occurring before the Vesting Date of any Award then, subject to the discretion of the Remuneration Committee, a portion of the Award will Vest as follows:

- In respect of Retention Shares, the portion of the Award which shall Vest will reflect the number of complete months served since the Award Date to the Change of Control Date, over the total number of months in the Employment Period.
- In respect of Performance Shares, the portion of the Award which shall Vest shall be determined by the Remuneration Committee, giving consideration to the extent to which the Performance Conditions have been satisfied, with reference to the immediately preceding reporting period and the number of complete months served since the Award Date to the Change of Control Date, over the total number of months in the Employment Period.

The portion of the Award that does not Vest as a result of the Change of Control will continue to be subject to the terms of the Award Letter, unless the Remuneration Committee determines otherwise. In such circumstances the Remuneration Committee may take such action as it considers appropriate to protect the interests of the Participants, including converting Forfeitable Shares in respect of Shares of one or more other companies, provided the Participant is no worse off.

Variation of share capital

In the event of a variation in share capital such as a capitalisation issue, subdivision of shares, consolidation of shares etc, Participants shall continue to participate in the FSP. The Remuneration Committee may make such adjustment to the Award or take such other action to place Participants in no worse a position than they were prior to the happening of the relevant event and to provide that the fair value of the Award immediately after the event is materially the same as the fair value of the Award immediately before the event.

In the event of a Rights Offer, a Participant shall be entitled to participate in any Rights Offer in respect of his Forfeitable Shares in accordance with the terms and conditions of the Rights Offer.

Liquidation

If the Company is placed into liquidation, other than for purposes of reorganisation, any Awards of Forfeitable Shares shall *ipso facto* lapse as from the Liquidation Date. Any unvested Forfeitable Shares will lapse.

Amendment

The Remuneration Committee may alter or vary the rules of the FSP as it sees fit, however in the following instances the FSP may not be amended without the prior approval of the JSE and a resolution by the shareholders of 75% of the voting rights (excluding all of the votes attached to all Shares owned and controlled by persons who are existing Participants in the FSP and which have been acquired under the FSP):

- the category of persons who are eligible for Participation in the FSP;
- the number of shares which may be utilised for the purpose of the FSP;
- the individual limitations on benefits or maximum entitlements;
- the basis upon which Awards are made;
- the amount payable upon the Award, Settlement or Vesting of an Award;
- the voting, dividend, transfer and other rights attached to the Awards, including those arising on a liquidation of the Company;
- the adjustment of Awards in the event of a variation of capital of the Company or a Change of Control of the Company; and
- the procedure to be adopted in respect of the Vesting of Awards in the event of termination of employment.

General

The Rules of the FSP are available for inspection from 26 May 2017 to 20 June 2017 at the Company's registered office, being 3rd Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta or at the Company's London Office, being Berkeley Square House, Berkeley Square, London, W1J 6BD.

SCHEDULE 1 TO PART 3

Tiso Blackstar Group SE

FORFEITABLE SHARE PLAN ("FSP")

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1. INTRODUCTION

- 1.1. The purpose of the FSP is to provide Employees of the Employer Companies, with the opportunity of receiving Shares in the Company through the Award of Performance Shares and / or Retention Shares. The FSP will provide Participants with the opportunity to share in the success of the Company and provide alignment between the Participants and shareholders.
- 1.2. The FSP provides that the Performance Shares and / or Retention Shares (collectively referred to as Forfeitable Shares) be awarded on the following basis:
- 1.2.1 For an Award of Performance Shares, the Vesting thereof is subject to the satisfaction of Performance Conditions and the Employment Condition in line with the Group's approach of performance related incentives; and
- 1.2.2 For an Award of Retention Shares, the Vesting thereof is subject to the satisfaction of the Employment Condition, where the Remuneration Committee recognises key talent instrumental in delivering the Group's business strategy. For the avoidance of doubt, Award of Retention Shares will not be made on an annual basis, nor will they be made to the Chief Executive Officer and the Chief Financial Officer.

2. INTERPRETATION

- 2.1. In these Rules, unless inconsistent with the context, the following words and expressions will have the following meanings:
- 2.1.1 "Accept" the completion of a Notice of Acceptance by an Employee in terms of Rule 5.3.2, and the delivery thereof as indicated in Rule 1 and "Accepted" or "Acceptance" will be construed accordingly;
- 2.1.2 "Auditors" the auditors of the Company from time to time;
- 2.1.3 "Award" (a) an award of a specified number of Performance Shares to an Employee in terms of the FSP; and / or
- (b) an award of a specified number of Retention Shares to an Employee in terms of the FSP;
- on the basis that a Participant may forfeit the rights to the Performance Shares and /or the Retention Shares in the circumstances set out in the Award Letter and the Rules of the FSP, and "Awarded" will bear a similar meaning;
- 2.1.4 "Award Date" the date, specified in the Award Letter, on which an Award is made to an Employee, being a date not earlier than the date on which the Remuneration Committee resolved to make such an Award to the Employee, irrespective of the date on which the Award is actually accepted by the Employee;
- 2.1.5 "Award Letter" a letter containing the information specified in Rule 5.2 sent by the Company, or its nominee, on the recommendation of the Employer Company, to an Employee informing the Employee of an Award to him;
- 2.1.6 "Business Day" any day on which the JSE is open for the transaction of business;
- 2.1.7 "Capitalisation Issue" a capitalisation issue as contemplated in the UK Act;

2.1.8	"Change of Control"	where a person (or persons acting together in concert), who did not have Control of the Company through a transaction, or series of transactions, acquires Control of the Company;
2.1.9	"Change of Control Date"	the date on which the Change of Control of the Company becomes effective;
2.1.10	"Company"	Tiso Blackstar Group SE;
2.1.11	"Company Secretary"	the secretary of the Company as appointed in terms of the UK Act from time to time;
2.1.12	"Company's Share Dealing Code"	the code of dealings in Shares adopted by the Company pursuant to its obligation under Rule 21 of the rules issued and amended from time to time by the London Stock Exchange governing companies whose shares are dealt in on the Alternative Investment Market (the "AIM Rules") and which complies with the requirements of the Market Abuse Regulation (EU Regulation No. 596/2014) (the "MAR");
2.1.13	"Control"	<p>(a) the holding of Shares or the aggregate of holdings of Shares or other securities in the Company entitling the holder thereof to exercise, or cause to be exercised, more than 35% (thirty five percent) of the voting rights at shareholders meetings of the Company; or</p> <p>(b) the holding or control by a shareholder or member alone or pursuant to an agreement with other shareholders or members of more than 30% (thirty five percent) of the voting rights in the Company; or</p> <p>(c) the entitlement, direct or indirect, to appoint a majority of Directors of the board of Directors of the Company, or to appoint or remove Directors having a majority of the votes exercisable at meetings of the board of Directors of the Company;</p>
2.1.14	"Country Schedule"	to the extent required, a schedule to these Rules to be adopted as directed by the Remuneration Committee, governing participation in the FSP by Participants employed by the Group in jurisdictions other than South Africa. Such Country Schedule will form part of the Rules, and will govern the awards made in terms thereof;
2.1.15	"Date of Termination of Employment"	the date upon which a Participant is no longer permanently employed by, or ceases to hold permanent salaried office in, any Employer Company, provided that, where a Participant's employment is terminated without notice or on terms in lieu of notice, the Date of Termination of Employment will be deemed to occur on the date on which the termination takes effect, and where such employment is terminated with notice, the Date of Termination of Employment will be deemed to occur upon the date on which that notice expires;
2.1.16	"Directors"	the directors of the Company from time to time;
2.1.17	"Employee"	any person holding permanent salaried employment or office with any Employer Company, excluding any non-executive director of the Group;

2.1.18	"Employer Company"	a company in the Group which employs an Employee;
2.1.19	"Employment Condition"	the condition of continued employment with the Group for the duration of the Employment Period, as specified in the Award Letter;
2.1.20	Employment Period"	unless otherwise provided in these Rules, the period commencing on the Award Date and ending on the date as specified in the Award Letter (both dates included), during which the Participant is required to fulfil the Employment Condition;
2.1.21	"ERA"	the Employment Rights Act of 1996 as amended and any re-enactment or replacement thereof;
2.1.22	"Escrow Agent"	the person or entity appointed by the Company from time to time to hold Forfeitable Shares on behalf of the Participants, subject to the terms and conditions of these Rules;
2.1.23	"Financial Year"	the financial year of the Company running from 1 July of each year, as amended from time to time;
2.1.24	"Forfeitable Shares"	Awards comprising Performance Shares and / or Retention Shares as specified in the Award Letter, registered in the name of the Participant subsequent to the Award Date and held for his benefit, the Vesting of which is subject to the fulfilment of the Performance Condition (if applicable) and / or Employment Condition as specified in the Award Letter;
2.1.25	"FSP"	the Tiso Blackstar Group SE Forfeitable Share Plan constituted by these Rules, as amended from time to time;
2.1.26	"Group"	(i) the Company; and (ii) and its Subsidiaries from time to time; and (iii) such other entities as identified by the Directors; and the expression "member of the Group" will be construed accordingly;
2.1.27	"JSE"	the exchange operated by the JSE Limited (registration number 2005/022939/06);
2.1.28	"JSE Listings Requirements"	the Listings Requirements as amended from time to time by the JSE, whether by way of practice note or otherwise;
2.1.29	"Liquidation Date"	the date on which any application for the final liquidation of the Company is successful;
2.1.30	"LRA"	the Labour Relations Act 66 of 1995 as amended and any re-enactment or replacement thereof;
2.1.31	"Majority of Operations"	all or the greater part of the assets or undertaking of the Company;
2.1.32	"Market Value"	the volume weighted average price ("VWAP") of a Share, as quoted on the JSE, on any particular day on which a determination of the Market Value of the Shares is to be made for

		the purposes of these Rules;
2.1.33	"Notice of Acceptance"	a notice completed by an Employee, in the format provided by the Company, in respect of the Acceptance of an Award;
2.1.34	"Participant"	an Employee to whom an Award has been made in terms of this FSP and who has Accepted such Award, including the executor or representative of the Employee's deceased estate;
2.1.35	"Performance Condition"	a condition of Vesting of an Award of Performance Shares, as set out in the Award Letter;
2.1.36	"Performance Period"	the period in respect of which a Performance Condition is to be satisfied, as stated in the Award Letter;
2.1.37	"Performance Shares"	Forfeitable Shares Awarded, which are subject to forfeiture if the Performance Conditions and Employment Condition as specified in the Award Letter are not satisfied;
2.1.38	"Prohibited Period"	a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements;
2.1.39	"Purchase Programme"	a purchase programme wherein the dates and quantities of securities to be traded during a Prohibited Period are fixed (not subject to any variation) and which has been submitted to the JSE in writing prior to the commencement of a Prohibited Period, and in terms of which full details have been disclosed in an announcement over SENS prior to the commencement of a Prohibited Period, which Purchase Programme is in accordance with the provisions of the JSE Listings Requirements, the AIM Rules and the MAR;
2.1.40	"Recharge Policy"	a policy or agreement in force from time to time between the Company and an Employer Company regulating the funding of the Settlement;
2.1.41	"Remuneration Committee"	the Remuneration Committee of the board of Directors, the members of which do not hold any executive office within the Group;
2.1.42	"Retention Shares"	Forfeitable Shares Awarded, which are subject to forfeiture if the Employment Condition as specified in the Award Letter is not satisfied;
2.1.43	"Retirement"	in relation to a Participant, normal retirement age as determined by the Company, or with the approval of the Remuneration Committee, prior to the normal retirement age;
2.1.44	"Rights Offer"	the offer of any securities of the Company to all ordinary shareholders of the Company pro rata to their holdings at the record date;
2.1.45	"Rights Offer Share"	a Share which a Participant can acquire in terms of a Rights Offer by virtue of Forfeitable Shares Awarded to him;
2.1.46	"Rules"	these Rules of the FSP, as amended from time to time;
2.1.47	"Settlement"	delivery to the Participant of the required number of the Forfeitable Shares in accordance with the Settlement method stipulated in Rule 6.2, the words "Settle" and "Settled" will bear a

- corresponding meaning;
- 2.1.48 "Settlement Date" the date on which Settlement will occur;
- 2.1.49 "Share" an ordinary share in the capital of the Company;
- 2.1.50 "Subsidiary" a company which is a subsidiary of the Company within the meaning of the UK Act and a foreign juristic person which would have been a subsidiary company of the Company had it been incorporated in terms of the UK Act;
- 2.1.51 "UK Act" the Companies Act of England and Wales 2006 in so far as it applies to the Company by virtue of Article 9(1)(c)(ii) of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company;
- 2.1.52 "Vest" the Forfeitable Shares of a Participant no longer being subject to any restrictions or potential forfeiture as determined according to Rule 9.1, and "Vesting" and "Vested" will be construed accordingly; and
- 2.1.53 "Vesting Date" the date on which Vesting occurs.
- 2.2. The headings in these Rules are inserted for reference purposes only and will in no way govern or affect the interpretation hereof.
- 2.3. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect will be given to it as if it were a substantive provision in the body of these Rules.
- 2.4. Unless the context indicates otherwise, an expression that denotes any gender includes the others; a natural person includes a created entity (corporate or unincorporated) and the singular includes the plural, and vice versa in each case.
- 2.5. References in these Rules to any statutory provisions include a reference to those provisions as amended or replaced from time to time and include any subordinate legislation made under them from time to time. Any reference to a particular section in a statutory provision is to that section as at the date of adoption of this FSP, and as amended or re-enacted from time to time and / or an equivalent measure in a statutory provision, provided that if as a result of such amendment or re-enactment, the specific requirements of a section referred to in this FSP are changed, the relevant provision of this FSP will be read also as if it had been amended as necessary, without the necessity for an actual amendment.
- 2.6. When any number of days is prescribed in this FSP, same will be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the last day will be the next succeeding day which is a Business Day.
- 2.7. Unless a contrary intention clearly appears -
- 2.7.1 if figures are referred to in numerals and in words and if there is any conflict between the two, the words will prevail;
- 2.7.2 the words "include", "including" and "in particular" will be construed as being by way of example or emphasis only and will not be construed as, nor will they take effect as, limiting the generality of any preceding word/s;
- 2.7.3 any reference in this FSP to another agreement or document will be construed as a reference to such other agreement or document as same may have been, or may from time to time be, amended, varied, novated or supplemented; and

- 2.7.4 the words "other" and "otherwise" will not be construed *eiusdem generis* with any preceding words if a wider construction is possible.
- 2.7.5 references to "lapse" in relation to an Award shall be read and construed as references to the forfeiture of all of the Forfeitable Shares in respect of which such Award subsists immediately before the occurrence of the event which occasions such lapse;
- 2.7.6 references to "forfeiture" (and related expressions) in relation to any Forfeitable Shares shall be read and construed as references to the beneficial interest in such Shares being thereupon automatically transferred, without more, to or such person or persons as the Company shall determine and specify in a notice to the Escrow Agent so that the Participant shall thereafter cease to have any interest in, or any right or entitlement to, such Shares.

3. OPERATION OF THIS FSP

3.1. Basis of Awards

- 3.1.1 The Remuneration Committee may from time to time, in its discretion, call upon the Employer Companies to nominate Employees for participation in the FSP.
- 3.1.2 The Remuneration Committee will have the final authority to decide:
- 3.1.2.1 which Employees will participate in the FSP in respect of each Award;
 - 3.1.2.2 subject to Rule 4.1, the aggregate annual quantum of Forfeitable Shares to comprise Awards to all Employees;
 - 3.1.2.3 subject to Rule 4.2, the number of Performance Shares and / or Retention Shares that may comprise an Award to an Employee by taking into consideration the Employee's salary, grade, performance, retention requirements and market benchmarks;
 - 3.1.2.4 the terms of the Employment Condition;
 - 3.1.2.5 the Employment Period and Vesting Date in respect of each Award;
 - 3.1.2.6 the terms of the Performance Condition;
 - 3.1.2.7 the Performance Period; and
 - 3.1.2.8 all other issues relating to the governance and administration of the FSP.
- 3.1.3 If, and when, the Remuneration Committee approves an award of Forfeitable Shares, the Remuneration Committee will notify the Company and the Employer Company of each Employee who has been approved for participation in the FSP.
- 3.1.4 Each Employer Company of an Employee whose participation in the FSP has been approved will in writing acknowledge to the Remuneration Committee participation of its respective Employees in the FSP.
- 3.1.5 The Company or its nominee will issue an Award Letter to every Employee who has been approved for participation in the FSP as soon as is practically possible after receiving the Remuneration Committee's notification in terms of Rule 3.1.3.
- 3.1.6 The Company or Employer Companies will, as regulated by the Recharge Policy, remain responsible to procure the Settlement of Shares under the FSP to the Participants employed by them on the Settlement Date, or as may otherwise be regulated under the Recharge Policy.

- 3.1.7 Subsequent to the Award Date, the Forfeitable Shares will be Settled to the Participant in line with Rule 6 and the Participant will have shareholder rights from the Settlement Date, subject to the forfeiture and disposal restrictions until the Vesting Date and the remaining provisions of these Rules.
- 3.1.8 Subject to Rule 10, Vesting of the Forfeitable Shares which form an Award in terms of Rule 3.1 will in all instances be subject to the Employment Condition and the Vesting of Performance Shares will further be subject to the satisfaction of Performance Condition, measured over the Performance Period.

4. FSP LIMITS

4.1. Overall Company Limit

- 4.1.1 Subject to Rule 4.3, the aggregate number of Shares which may be Settled in respect of this FSP, to all Participants, will not exceed 13,414,563 (thirteen million four hundred and fourteen thousand five hundred and sixty three) Shares, which equates to approximately 5% of the number of issued Shares at the date of adoption of the FSP. In the event of a discrepancy between number of Shares and the percentage it represents, the number will prevail.
- 4.1.2 In determining the number of Shares Settled in respect of this FSP for the purposes of contemplated in Rule 4.1.1, the following will be included:
- 4.1.2.1 The number of Shares held in treasury account and which have been utilised by the Company in Settlement of this FSP, as contemplated in Rules 6.2.2 and 6.2.3; and
- 4.1.2.2 The number of Shares issued by the Company in Settlement of this FSP, as contemplated in Rules 6.2.4 and 6.2.5.
- 4.1.3 In determining the number of Shares Settled in respect of this FSP for the purposes contemplated in Rule 4.1.1, the following will be excluded:
- 4.1.3.1 Shares purchased in the market as contemplated in Rule 6.2.1 in Settlement of this FSP; and
- 4.1.3.2 Forfeitable Shares comprising Awards under this FSP which do not subsequently Vest in a Participant as a result of the forfeiture thereof.

4.2. Individual limit

Subject to the provisions of Rule 4.3, the maximum number of Shares Settled to any single Participant in terms of this FSP, will not exceed 2,682,913 (two million six hundred and eighty two thousand nine hundred and thirteen) Shares, which equates to approximately [1%] of the number of issued Shares at the date of adoption of the FSP. In the event of a discrepancy between the number of Shares and the percentage it represents, the number of Shares will prevail. FSP awards which are forfeited will not be considered to be Settled for the purposes of this Rule.

4.3. Adjustments related to FSP Limits

- 4.3.1 The Remuneration Committee must, where required, adjust the number of Shares stated in Rule 4.1.1 and Rule 4.2 (without the prior approval of shareholders in a general meeting), to take account of a sub-division or consolidation of Shares. Such adjustment to the number of Shares should result in the Company still being capable of Settling the same percentage of Shares stated in Rule 4.1.1 and Rule 4.2 as was the case prior to the occurrence of the event.
- 4.3.2 The Remuneration Committee may, where required, adjust the number of Shares stated in Rule 4.1.1 and Rule 4.2 (without the prior approval of shareholders of the Company in a general meeting) to take account of a Capitalisation Issue, a special dividend, a Rights Offer or reduction in capital of the Company. Such adjustment to the number of Shares should

result in the Company still being capable of Settling the same percentage of Shares stated in Rule 4.1.1 and Rule 4.2 as was the case prior to the occurrence of the event.

- 4.3.3 The Auditors, or other independent advisor acceptable to the JSE, will confirm to the JSE in writing that any such adjustment made in terms of Rule 4.3.1 and 4.3.2 has been properly calculated on a reasonable and equitable basis, in accordance with the Rules.
- 4.3.4 The issue of Shares as consideration for an acquisition, and the issue of Shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to limits stated in Rules 4.1 and 4.2.

Any adjustments made in terms of Rules 4.3.1 and 4.3.2 must be reported on in the Company's financial statements in the year during which the adjustment is made.

5. AWARD OF FORFEITABLE SHARES

5.1. Time when Awards may be made

5.1.1 Subject to Rule 3, the Remuneration Committee may, on recommendation of and on behalf of an Employer Company, make an Award to an Employee:

5.1.1.1 after the FSP has been approved by shareholders; and

5.1.1.2 on any day on which there are no restrictions on the making of Awards, being restrictions imposed by a Prohibited Period, or by the Company's Share Dealing Code relating to dealings in securities or the JSE Listings Requirements or the AIM Rules, as the case may be.

5.2. Award Letter

5.2.1 The Award Letter will be in writing and will specify the terms of the Award including:

5.2.1.1 the name of the Employee;

5.2.1.2 the Award Date;

5.2.1.3 the number of Performance Shares and / or Retention Shares which comprise the Award;

5.2.1.4 the Employment Condition;

5.2.1.5 the Employment Period;

5.2.1.6 the Performance Condition for the Performance Shares;

5.2.1.7 the Performance Period for the Performance Shares;

5.2.1.8 the Vesting Date; and

5.2.1.9 any other relevant terms and conditions.

5.3. An Award will:

5.3.1 be personal to the Employee to whom the Award Letter is addressed and may only be acted on by such Employee;

5.3.2 indicate that the Employee must Accept the Award either in writing or by electronic means within the period specified in the Award Letter (being a period of not more than 30 (thirty) days after the Award Date); and

5.3.3 any written acceptance of the Award will be in the form prescribed by the Company and be submitted to the Company Secretary, or such person as the Company may nominate, at the Company's registered office in South Africa, within the period specified in Rule 5.3.2, failing which the Award will be deemed to have been refused.

5.4. **Securities Transfer Tax will be borne by the Participant.**

5.4.1.1 The Participant will give no consideration for an Award.

6. SETTLEMENT

6.1. Following the making of an Award of Forfeitable Shares, the Company or relevant Employer Company will within 90 (ninety) days of the Award Date procure the Settlement of that number of Forfeitable Shares to the Participant in accordance with the Settlement methods described in Rule 6.2.

6.2. Any one of the following Settlement methods may be used, as directed by the Remuneration Committee:

6.2.1 The Company or relevant Employer Company will, if so instructed by the Remuneration Committee, incur an expense by making a cash contribution to any third party equal in value to the required number of Shares in Settlement of the Award on the basis that the third party will acquire the required number of Shares as agent for the Company or relevant Employer Company on the market for direct delivery and Settlement to the Participants (The Company or relevant Employer Company are explicitly authorised to instruct third parties to acquire Shares on the market for this purpose); or

6.2.2 The relevant Employer Company by which that Participant is employed will use Shares held in treasury account and effect Settlement to that Participant; or

6.2.3 The Company or relevant Employer Company by which that Participant is employed will, if so instructed by the Remuneration Committee, incur an expense by paying the purchase consideration to any Subsidiary, other than an Employer Company, which holds Shares in treasury account for Settlement to that Participant, on the basis that the Subsidiary will deliver the Shares to a Participant for the purpose of discharging the Company or relevant Employer Company's obligation to effect Settlement to that Participant. The purchase consideration which the Company or relevant Employer Company will pay to the Subsidiary will be either:

6.2.3.1 the Market Value per Share on the Settlement Date; or

6.2.3.2 any other minimum value per Share as prescribed in the Act; or

6.2.3.3 an amount equal to the cost incurred by the Subsidiary in acquiring the Shares held in treasury; or

6.2.4 The Company or relevant Employer Company will, if so instructed by the Remuneration Committee, incur an expense by paying the purchase consideration to a third party equal in value to the subscription price of the Shares concerned, on the basis that the third party will acquire the number of Shares required for the purpose of discharging the Company or Employer Company's obligation to deliver Shares to Participants and effect Settlement to the Participant, by way of subscription for new Shares to be issued by the Company, for a subscription price per Share of either:

6.2.4.1 the Market Value per Share on the Settlement Date; or

6.2.4.2 any other minimum value per Share as prescribed in the Act; or

6.2.5 the Company will issue Shares to the Participants.

- 6.3. Where the Company issues the Shares or incurs costs in the Settlement of an Award, whether in the form of the cash contribution or otherwise, the Company will recharge such costs to the relevant Employer Company in terms of the Recharge Policy.
- 6.4. Shares intended for use in the Settlement of the FSP may not be purchased during a Prohibited Period unless a Purchase Programme is in place and may not in any event be purchased or agreed to be purchased at any time if that would cause the Company to be in breach of the AIM Rules or the Company's Share Dealing Code or the MAR.
- 6.5. In the event that Shares are purchased during a Prohibited Period in accordance with the provisions of a Purchase Programme, an announcement must be made pursuant to paragraphs 3.63 – 3.74 (director dealings) of the JSE Listings Requirements which will include a statement confirming that the purchase was put in place pursuant to a Purchase Programme and the Company must ensure that any such purchase is subject to, and in accordance with, the requirements of the Company's Share Dealing Code, the AIM Rules and the MAR.

7. OWNERSHIP IN RESPECT OF FORFEITABLE SHARES AND PARTICIPANT'S RIGHTS BEFORE THE VESTING DATE

- 7.1. Following the Settlement of an Award, the Remuneration Committee will procure that the Shares are held by the Escrow Agent for the absolute benefit of the Participants as owners of the Forfeitable Shares, but subject to the provisions of Rule 10. The Forfeitable Shares may not be disposed of or otherwise encumbered at any time from the date of their Settlement, up to and including the Vesting Date, except on that Participant's death (as envisaged in Rule 10.2.1.1) his Forfeitable Shares may be transferred to the executor or representative of his deceased estate.
- 7.2. The Forfeitable Shares will be subject to the control of the Escrow Agent acting on instructions from the Company from the Settlement Date up to and including the Vesting Date, following which the Company will, subject to Rule 10, procure the release of the Forfeitable Shares from the Escrow Agent free from any further restrictions.
- 7.3. Except for the restrictions envisaged in Rule 7.1, the Participant has all other shareholder rights, including voting and dividend rights, in respect of Forfeitable Shares and from the Settlement Date the Shares will rank pari passu with existing Shares. To the extent that the Participant does not exercise his rights as shareholder, they may not be exercised by the Escrow Agent.
- 7.4. The Participant will provide his Employer Company with, and the Participant will consent to his Employer Company furnishing the Escrow Agent with, any information relating to the Participant's identification that the Escrow Agent may require in order to ensure compliance with the Financial Intelligence Centre Act, 2001 or any other applicable legislation.
- 7.5. The Participant will, where required, enter into a written agreement with the Escrow Agent, in a form approved by the Employer Company, relating to the holding of the Forfeitable Shares by the Escrow Agent until the Vesting Date.
- 7.6. The Employer Company will not be liable for any loss or damage arising from any act or omission of the Escrow Agent, any central securities depository participant ("CSDP") engaged by the Escrow Agent, any employee, director, or representative of the Escrow Agent or such CSDP in connection with or arising out of the holding of, or transacting in, the Forfeitable Shares.

8. SETTING OF PERFORMANCE CONDITION

- 8.1. The Vesting of an Award of Performance Shares, will be subject to the satisfaction of the Performance Condition and the Employment Condition and any other conditions set by the Remuneration Committee.

- 8.2. Any such Performance Condition and further conditions imposed under Rule 8.1 will be:
 - 8.2.1 objective; and
 - 8.2.2 set out in, or attached in the form of a schedule to, the Award Letter.
- 8.3. Should an event occur at any point during the Performance Period which causes the Remuneration Committee to consider that a Performance Condition is no longer appropriate, the Remuneration Committee may substitute or vary the Performance Condition, subject to the JSE Listings Requirements in such a manner as:
 - 8.3.1 is reasonable in the circumstances; and
 - 8.3.2 produces a fairer measure of performance and is not materially less or materially more difficult to satisfy.

The Award will then take effect subject to the Performance Condition as so substituted or varied and communicated to the Participant.

8.4. Review of Performance Condition for Performance Shares:

- 8.4.1 As soon as reasonably practicable after the end of the Performance Period in relation to an Award of Performance Shares, the Remuneration Committee will review whether, and the extent to which, the Performance Condition has been met;
- 8.4.2 The Performance Awards will Vest to the extent that the Remuneration Committee determines that the Performance Condition and any other conditions imposed in terms of Rule 8 have been satisfied,
- 8.4.3 If the Remuneration Committee is satisfied that the Performance Condition and any other conditions imposed in terms of Rule 8 have been fulfilled, the Remuneration Committee will calculate the number of Performance Shares that will Vest for each Participant and notify each Participant of this fact as soon as is reasonably practicable.
- 8.4.4 If the Remuneration Committee is satisfied that the Performance Condition and any other conditions imposed in terms of Rule 8 have not been fulfilled, no Performance Shares will Vest and will lapse immediately. The Participant will be notified of such fact accordingly.
- 8.4.5 In the event that the Performance Condition(s) have to be reviewed prior to the end of the Performance Period, as envisaged by Rules 10.2, the Remuneration Committee will have regard to the following when determining whether, and the extent to which, the Performance Condition(s) have been satisfied:
 - 8.4.5.1 where the event which triggers the early review occurs within 6 months of the end of the Company's preceding Financial Year end, the Performance Condition(s) will be reviewed with reference to the results reported by the Company at its previous Financial Year end; and
 - 8.4.5.2 where the event which triggers the early review occurs more than 6 months after the end of the Company's preceding Financial Year end, the Performance Condition(s) will be reviewed with reference to the results to be reported by the Company in respect of the forthcoming Financial Year end.

9. VESTING OF AWARDS

- 9.1. Subject to Rules 10 and 11, Forfeitable Shares will Vest on the later of:
 - 9.1.1 the date on which the Participant has satisfied the Employment Condition as specified in the Award Letter; and

- 9.1.2 to the extent applicable, the date on which the Remuneration Committee determines that the Performance Condition has been met; and
- 9.1.3 to the extent applicable, any other conditions imposed have been satisfied.
- 9.2. The effect of an Award Vesting will be that the restrictions imposed on the Forfeitable Shares will cease to apply and the risk of forfeiture will lift.

10. TERMINATION OF EMPLOYMENT

10.1. Fault Termination

10.1.1 If a Participant's employment with any Employer Company terminates before the Vesting Date by reason of the following, it will be designated as a "Fault Termination":

10.1.1.1 his resignation; or

10.1.1.2 dismissal on grounds of misconduct, proven poor performance, or proven dishonest or fraudulent conduct or conduct against the interest of the Group or its shareholders (whether such cessation occurs as a result of notice given by him or otherwise or where he resigns to avoid dismissal on grounds of misconduct, poor performance, or proven dishonest or fraudulent conduct); or

10.1.1.3 his abscondment.

10.1.2 In the event of a Fault Termination, all unvested Awards of Forfeitable Shares will be forfeited in their entirety and will lapse immediately on the Date of Termination of Employment. For the avoidance of doubt, any Awards of Forfeitable Shares which have already Vested will be unaffected by this provision.

10.1.3 For the purposes of this Rule 10, a Participant will not be treated as ceasing to be an Employee of an Employer Company if, on the same date on which he ceases to be an Employee of an Employer Company, he is employed by another Employer Company.

10.2. No Fault Termination

10.2.1 If a Participant's employment with any Employer Company terminates prior to the Vesting Date by reason of the following, it will be designated as a "No Fault Termination":

10.2.1.1 death; or

10.2.1.2 Retirement, except where retirement is elected as the cause of termination of employment in instances which would have warranted cessation of employment in terms of Rule 10.1; or

10.2.1.3 redundancy as contemplated in the ERA or retrenchment based on operational requirements as contemplated in the LRA; or

10.2.1.4 injury, disability or ill-health, in each case as certified by a qualified medical practitioner nominated by the relevant Employer Company and determined to the satisfaction of the Remuneration Committee; or

10.2.1.5 the Participant's Employer Company ceasing to be a member of the Group or the undertaking in which he is employed being transferred to a transferee which is not a member of the Group.

10.2.2 In the event of a No Fault Termination, other than for Retirement, a portion of a Participant's unvested Awards will Vest on the Date of Termination of Employment or the date as soon as reasonably practicably possible thereafter when the Remuneration Committee has

determined the extent to which the Performance Condition or any other conditions imposed in terms of Rule 8, where applicable, have been met in accordance with Rule 8.4. The portion of the Award which will Vest will be calculated in accordance with Rule 10.2.4 and Rule 10.2.5.

- 10.2.3 In the event of a No Fault Termination as a result of Retirement, except where Retirement is elected as the cause of termination of employment in instances which would have warranted cessation of employment in terms of Rule 10.2.1.2, the Participant will, subject to the discretion of the Remuneration Committee, continue to participate in the FSP for purposes of any unvested Awards and the Participant shall be deemed not to have terminated employment. All the terms and conditions contained in the Award Letter such as the Performance Condition and Vesting period will continue to apply to the Participant, apart from the Employment Condition which will be waived.
- 10.2.4 In respect of Retention Shares, the portion of the Award which will Vest will reflect the number of complete months served since the Award Date to the Date of Termination of Employment, over the total number of months in the Employment Period.
- 10.2.5 In respect of the Performance Shares, if the Participant's employment is terminated due to:
 - 10.2.5.1 death, the Remuneration Committee will calculate whether, and the extent to which the Performance Condition or any other conditions imposed in terms of Rule 8 have been satisfied on the Date of Termination of Employment by reference to immediately preceding Financial Year. The portion of the Award which will Vest will be determined based on the extent to which the Performance Condition or any other conditions imposed in terms of Rule 8 have been satisfied and the number of complete months served since the Award Date to the Date of Termination of Employment over the total number of months in the Employment Period;
 - 10.2.5.2 retrenchment, ill-health, injury, disability and sale of Employer Company, the Remuneration Committee will, in accordance with Rule 8.4 calculate whether, and the extent to which, the Performance Condition or any other conditions imposed in terms of Rule 8 have been satisfied on the Date of Termination of Employment. The portion of the Award which will Vest will be determined based on the extent to which the Performance Condition or any other conditions imposed in terms of Rule 8 have been satisfied and the number of complete months served since the Award Date to the Date of Termination of Employment over the total number of months in the Employment Period.
- 10.2.6 To the extent that there is more than one Vesting Date and more than one Employment Period in respect of a particular Award, the calculation indicated by Rules 10.2.3 and / or 10.2.5 will be carried out in respect of each Employment Period.
- 10.2.7 The portion of the Award that does not Vest will lapse on the Date of Termination of Employment.
- 10.2.8 For the avoidance of doubt, any Awards of Forfeitable Shares which have already Vested will be unaffected by this provision.

10.3. **Exceptional circumstances**

- 10.3.1 Subject to the Remuneration Committee determining otherwise in its absolute discretion, if a Participant ceases to be in the employment of any Employer Company before the Vesting Date for any reason other than those set out in Rules 10.1 and 10.2 above, a portion of his Award will Vest on the Date of Termination of Employment or as soon as reasonably practicable thereafter. The portion of the Award which will Vest will be calculated in accordance with Rule 10.2.3 and Rule 10.2.5. The portion of the Award that does not Vest will lapse on the Date of Termination of Employment.
- 10.3.2 For the avoidance of doubt, any Awards which have already Vested will be unaffected by this provision.

11. CHANGE OF CONTROL

- 11.1. Subject to the Remuneration Committee, in its absolute discretion, determining otherwise, if an offer is made which if implemented, may directly result in a Change of Control of the Company occurring before the Vesting Date of any particular Award, and which will result in:
- 11.1.1 the Shares ceasing to be listed on the JSE; or;
 - 11.1.2 the Majority of Operations of the Company being merged with those of another company or companies; or
 - 11.1.3 the FSP being terminated;
 - 11.1.4 a portion of the Award held by a Participant will Vest on the Change of Control Date.
- 11.2. In exercising their discretion to calculate accelerated Vesting, the Remuneration Committee may consider:
- 11.2.1.1 In respect of Awards of Retention Shares, the number of complete months served since the Award Date to the Change of Control Date over the total number of months in the Employment Period;
 - 11.2.1.2 In respect of Awards of Performance Shares, the number of complete months served since the Award Date to the Change of Control Date and whether and the extent to which the Performance Conditions or any other conditions imposed in terms of Rule 8 have been satisfied by reference to immediately preceding Financial Year.
- 11.3. To the extent that there is more than one Vesting Date and more than one Employment Period in respect of a particular Award, the calculations set out in Rule 11.2.1.1 and Rule 11.2.1.2 will be carried out in respect of each Employment Period.
- 11.4. The portion of the Award that does not Vest as a result of the Change of Control will, except on the termination of the FSP as envisaged in Rule 11.1.3, in which case it shall lapse, continue to be subject to the terms of the Award Letter relating thereto unless the Remuneration Committee determines that the terms of the Award Letter relating thereto are no longer appropriate. In this case the Remuneration Committee shall make such adjustment to the number of Performance Shares and / or Retention Shares or convert Performance Shares and / or Retention Shares into awards in respect of shares in one or more other companies provided the Participants are no worse off. The Remuneration Committee may also vary the Performance Conditions relating to the Performance Shares in accordance with Rule 8.

12. VARIATION IN SHARE CAPITAL

12.1. Capitalisation Issue, subdivision or consolidation of Shares, etc.

- 12.1.1 For purposes of this Rule 12, a Variation of Share Capital will include:
- 12.1.1.1 a Capitalisation Issue; and
 - 12.1.1.2 a subdivision of Shares; and
 - 12.1.1.3 a consolidation of Shares; and
 - 12.1.1.4 the Company entering into a scheme of arrangement as contemplated in section 899 of the UK Act; and

- 12.1.1.5 the Company making distributions, including a reduction of capital and a distribution in specie, other than a dividend paid in the ordinary course of business out of the current year's retained earnings; and
- 12.1.1.6 subject to Rule 11, any other matter, fact, event or circumstance relating to the Shares or the Company's share capital or which affects or has the potential to affect the Awards, and which matter, fact, event or circumstance (whether generally or specifically) is designated from time to time as a "Variation of Share Capital" for the purposes of this Rule 12 by the Directors.
- 12.1.2 In the event of a "Variation of Share Capital", Participants will continue to participate in the FSP. The Remuneration Committee may make such adjustment to the number of Forfeitable Shares comprised in the relevant Award to place Participants in no worse a position than they were prior to the occurrence of the relevant event.
- 12.1.3 The issue of Shares as consideration for an acquisition, and the issue of Shares for a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to Forfeitable Shares.
- 12.1.4 The Company will notify the Participants of any adjustments which are made under Rule 12.1 and will further comply with Rule 4.3. Where necessary, in respect of any such adjustments, the Company's Auditors, acting as experts and not as arbitrators and whose decision will be final and binding on all persons affected thereby, will confirm to the Company in writing that these are calculated on a non-prejudicial basis.
- 12.2. **Rights Offer**
- 12.2.1 In the event of a Rights Offer, a Participant will be entitled to participate in any Rights Offer in respect of his Forfeitable Shares and any additional Shares subject to the Awards thereof as a result of any event listed in Rule 12.1 above.
- 12.2.2 If a Rights Offer to the shareholders of the Company is proposed, the Remuneration Committee will notify the Participants holding Awards of Forfeitable Shares of that Rights Offer in writing. The written notice will specify:
 - 12.2.2.1 the terms and conditions of the Rights Offer as contained in the letter of allocation accompanying the Rights Offer;
 - 12.2.2.2 the number of Rights Offer Shares offered;
 - 12.2.2.3 the price payable in respect of the Rights Offer Shares and any applicable costs to the purchase of the Rights Offer Shares; and
 - 12.2.2.4 the date by which the Participant should notify the Remuneration Committee if he intends to purchase the Rights Offer Shares;
- 12.2.3 If any Participant holding Awards of Forfeitable Shares intends to purchase the Rights Offer Shares he will:
 - 12.2.3.1 notify the Remuneration Committee of his intention by the date specified in the notice sent to him in terms of Rule 12.2.2;
 - 12.2.3.2 simultaneously pay the full price in respect of the Rights Offer Shares and costs incidental to the purchase of the Rights Offer Shares, including Securities Transfer Tax; and
 - 12.2.3.3 be deemed to have authorised the Escrow Agent to take all necessary steps and sign all documents to purchase the Rights Offer Shares for his benefit.

- 12.2.4 If the Participant fails to notify the Remuneration Committee of his intention to purchase the Rights Offer Shares by the date specified in the notice in terms of Rule 12.2.2 he will be deemed to have waived his right to take up any Rights Offer Shares in terms of the Rights Offer. In this instance the Escrow Agent will sell the rights pertaining to the Rights Offer on behalf of the Participant and remit such proceeds to such Participant.
- 12.2.5 The Rights Offer Shares will not be subject to any restrictions in terms of the FSP and will Vest immediately upon acquisition in terms of the Rights Offer.

13. FORFEITURE AND LAPSE OF AWARDS

- 13.1. Notwithstanding any other provision of the Rules, an Award will lapse on the earliest of:
- 13.1.1 The Remuneration Committee determining that the Performance Condition (in relation to the Performance Shares) or any further condition imposed under Rule 5.2, in relation to Forfeitable Shares, has not been satisfied either in whole or in part in respect of the Award and can no longer be satisfied;
- 13.1.2 Subject to Rule 10, the Date of Termination of Employment;
- 13.1.3 The Liquidation Date, in accordance with Rule 13.4 and
- 13.1.4 Any other date provided for under these Rules.
- 13.2. If Forfeitable Shares are forfeited in terms of the FSP, the Company will instruct the Escrow Agent to sell the Shares in the market.
- 13.3. Upon the sale referred to in Rule 13.2, the Company or Employer Company will retain the proceeds of any sale net of any deductions that may be owing to the Escrow Agent.
- 13.4. If the Company is placed into liquidation, other than for purposes of reorganisation, an Award of Forfeitable Shares will ipso facto lapse as from the Liquidation Date.

14. FURTHER CONDITIONS

- 14.1. In circumstances where the tax and / or regulatory requirements of a particular jurisdiction where a Participant works makes the delivery of Shares impossible or impractical, the Remuneration Committee can direct alternative arrangements including (but not limited to) that the Participants be paid a cash amount on the Vesting Date in lieu of Shares that would have become liable to be delivered to the Participant, which is equivalent to the aggregate Market Value of such Shares as at the Vesting Date, on such date. The terms and conditions of such award will be set out in a separate Country Schedule.
- 14.2. An Employer Company may withhold any amount required:
- 14.2.1 to meet any costs in respect of the Vesting of the Forfeitable Shares for which the Participant is liable; or
- 14.2.2 for employees' tax,
- 14.2.3 from the Participant's remuneration or any other amount due by the Employer Company to the Participant.
- 14.3. The Employer Company will delay the Settlement or Vesting of the Award to the Participant if the acquisition or disposal of the Shares would otherwise:
- 14.3.1 occur during a Prohibited Period unless a Purchase Programme is in place; or
- 14.3.2 be in contravention of the Company's Share Dealing Code; or

- 14.3.3 be prohibited by insider trading legislation or any other legislation or regulations,
- 14.3.4 until such time as the Settlement or Vesting of the Award will no longer constitute such a contravention.
- 14.4. The rights of Participants in terms of this FSP are determined exclusively by these Rules read and applied in a manner which is consistent with the JSE Listings Requirements and the AIM Rules and any other legal or regulatory requirements with which the Company is obliged to comply.
- 14.5. Except as otherwise provided in the Rules, the Participant has no right to any compensation, damages or any other sum or benefit by reason of the fact that:
 - 14.5.1 he ceased to be a Participant in the FSP; or
 - 14.5.2 any of his rights or expectations under this FSP were reduced or lost.
- 14.6. Shares will only be issued or purchased once a Participant has been formally identified.
- 14.7. The Company will ensure compliance with paragraphs 3.63 – 3.74 (director dealings) of the JSE Listings Requirements and the Company's Share Dealing Code and the MAR in terms of share dealings by the Company relating to the FSP.
- 14.8. Where a Participant is transferred from one Employer Company to another Employer Company:
 - 14.8.1 all Awards granted to such Participant by the first Employer Company will remain in force on the same terms and conditions as set out in these Rules; and
 - 14.8.2 the second Employer Company will assume a pro-rata portion of the first Employer Company's obligations in respect of the relevant Awards in consideration for obtaining the Participant's services from the first Employer Company.
- 14.9. The issue of Shares to Employees which do not fall under the Rules of this FSP will be treated as a specific issue for cash as contemplated in paragraph 5.51 of the JSE Listings Requirements.

15. DISCLOSURE IN ANNUAL FINANCIAL STATEMENTS

The Company will disclose in its annual financial statements, to the extent required by the UK Act, any other applicable UK legislation or regulations or the JSE Listings Requirements, the number of Shares that may be utilised for purposes of the FSP at the beginning of the Financial Year and changes in such number during the Financial Year and the balance of securities available for utilisation for purposes of the FSP at the end of the Financial Year.

16. AMENDMENTS AND TERMINATION

- 16.1. Subject as provided in this Rule 16, the Remuneration Committee may at any time, alter, vary or add to these terms and conditions as it thinks fit. Amendments to these terms and conditions may only affect Awards to Participants that have already been made if they are to the advantage of Participants, subject to the JSE Listings Requirements and the requirements of the AIM Rules.
- 16.2. Except as provided in Rule 16.3 the provisions relating to:
 - 16.2.1 the category of persons who are eligible for participation in the FSP as envisaged in Rule 2.1.17;
 - 16.2.2 the number of Shares that may be utilised for the FSP as envisaged in Rule 4.1;

- 16.2.3 the individual limitations on benefits or maximum entitlements envisaged in Rule 4.2;
 - 16.2.4 the amount payable upon the Award, Vesting, and Settlement;
 - 16.2.5 the voting, dividend and other rights attached to Shares which are subject to Forfeitable Shares including those arising on a liquidation of the Company;
 - 16.2.6 the basis for determining Awards as stipulated in Rule 3.1;
 - 16.2.7 the adjustment of Awards and price in the event of a Variation of Capital of the Company as stipulated in Rule 12;
 - 16.2.8 the procedure to be adopted in respect of the Vesting of Forfeitable Shares in the event of a Change of Control as stipulated in Rule 11;
 - 16.2.9 the procedure to be adopted in respect of the Vesting of Forfeitable Shares in the event of termination of employment as envisaged in Rule 10; and
 - 16.2.10 the terms of this Rule 16.2,
 - 16.2.11 may not be amended without the prior approval of the JSE and by ordinary resolution of 75% (seventy five percent) of shareholders of the Company in general meeting, excluding all of the votes attached to all Shares owned and controlled by persons who are existing Participants in the FSP and which have been acquired under the FSP.
- 16.3. Subject to JSE notification and approval, the Remuneration Committee may make minor amendments for ease of the administration of the FSP, to comply with or take account of the provisions of any proposed or existing legislation or to obtain or maintain favourable, taxation or regulatory treatment of the Company or any Employer Company or any present or future Participant.
- 16.4. The Remuneration Committee may terminate the FSP at any time, but Awards before such termination will continue to be valid and as described in the provisions of the FSP.

17. DOMICILIUM AND NOTICES

- 17.1. The parties choose domicilium citandi et executandi for all purposes arising from this FSP, including, without limitation, the giving of any notice, the payment of any sum, the delivery of Shares, the serving of any process, as follows:
- 17.1.1 the Company, the Company Secretary and the Remuneration Committee: The address and telefax number of the registered office of the Company from time to time;
 - 17.1.2 any Employer Company - The address and telefax number of the registered office of the Employer Company from time to time;
 - 17.1.3 each Participant - The physical address, telefax number and electronic address from time to time reflected as being his home address, telefax number and / or electronic address in the Employer Company's payroll system from time to time.
- 17.2. Any of the above parties will be entitled from time to time, by written notice to the other, to vary its domicilium to any other physical address within the Republic of South Africa and / or its facsimile number and / or (in the case of a Participant) his electronic address; provided in the case of a Participant such variation is also made to his details on the Employer Company's payroll system.
- 17.3. Any notice given and any delivery or payment made by any of the above persons to any other which:

- 17.3.1 is delivered by hand during the normal business hours of the addressee at the addressee's domicile for the time being will be rebuttably presumed to have been received by the addressee at the time of delivery;
- 17.3.2 is delivered by courier during the normal business hours of the addressee at the addressee's domicile for the time being will be rebuttably presumed to have been received by the addressee on the 3rd (third day) after the date of the instruction to the courier to deliver to the addressee;
- 17.3.3 is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's domicile for the time being, will be rebuttably presumed to have been received by the addressee on the 7th (seventh day) after the date of posting.
- 17.3.4 is transmitted by electronic mail and / or facsimile to the addressee at the addressee's electronic address and / or facsimile address (as the case may be) for the time being will be rebuttably presumed to have been received by the addressee on the date of successful transmission thereof.
- 17.4. In the case of any notice or document given to the Employer Company pursuant to the FSP, delivered or sent by post to its registered office or such other address as may be specified by the Employer Company, such notice or document:
- 17.4.1 must be marked for the attention of the Company Secretary of the Employer Company; and
- 17.4.2 will not be deemed to have been received before actual receipt by the Company Secretary of the Employer Company.
- 17.5. Notwithstanding anything to the contrary herein contained, a written notice or document which is actually received by a person will be adequate for purposes of this FSP, notwithstanding that such notice or document was not received at that party's domicile citandi et executandi.

18. DISPUTES

- 18.1. The Participant and the Remuneration Committee will attempt to resolve any dispute arising out of or relating to this FSP internally.
- 18.2. In the event that the dispute cannot be resolved internally, the matter will be decided externally by way of arbitration in the manner set out in Rule 18.3 below.
- 18.3. The arbitration will be held subject to the provisions of this FSP:
- 18.3.1 at Johannesburg
- 18.3.2 informally;
- 18.3.3 otherwise in accordance with the provisions of the Arbitration Act, No. 42 of 1965, as amended,
- 18.3.4 it being the intention that if possible the arbitration will be held and concluded within 21 (twenty-one) Business Days, after it has been demanded.
- 18.4. The arbitrator will be, if the question in issue is:
- 18.4.1 primarily an accounting matter, an independent accountant with not less than 15 (fifteen) years' experience agreed upon between the parties. In the event that the parties cannot agree within 7 (seven) Business Days, a chartered accountant to be nominated by the Executive President for the time being of the South African Institute of Chartered Accountants;

- 18.4.2 primarily a legal matter, a practising senior counsel or attorney with no less than 15 (fifteen) years standing agreed upon between the parties. In the event that the parties cannot agree within 7 (seven) Business Days, a practising attorney nominated by the President for time being of the Law Society of the Northern Province;
- 18.4.3 any other matter, an independent person agreed upon between the parties.
- 18.5. An aggrieved party may appeal against the arbitration award within 10 (ten) Business Days after receipt of the arbitration award by lodging a notice of appeal with the other party.
- 18.6. Where an appeal is made, 2 (two) practising senior counsel of at least 15 (fifteen) years standing will be appointed as chairpersons of the appeal. If the parties are unable to agree on the chairpersons for the appeal the provisions of Rule 18.4 will mutatis mutandis apply with the changes required by the context. The chairpersons will meet the parties within 7 (seven) Business Days after their appointment to determine the procedure for the appeal.

19. GOVERNING LAW

South African law governs the FSP. The Company, all Employer Companies and Participants submit to the jurisdiction of the South African courts as regards any matter arising under the FSP.

This FSP was duly adopted at the general meeting of Tiso Blackstar Group SE held at 3rd Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta on 20 June 2017, the Rules of the FSP having been available for inspection for at least 14 (fourteen) days prior to the general meeting at the Company's registered office.

Chairman of the General Meeting

PART 4: NOTICE OF EXTRAORDINARY GENERAL MEETING

TISO BLACKSTAR GROUP SE

(registered in Malta with registered number SE 4)
3rd Floor, Avantech Building,
St Julian's Road,
San Gwann, SGN 2805,
Malta

Notice is hereby given that an Extraordinary General Meeting (the "**EGM**") of Tiso Blackstar Group SE (the "**Company**") will be held at 3rd Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta on 20 June 2017 at 10:00a.m. CEST/10:00a.m. SAST (or shortly thereafter in case of delays) for the following purposes:

To consider and, if thought fit, pass the following Resolutions as extraordinary resolutions:

Special Resolution

1. Adoption of New Articles of Association

Purpose:

To authorise the adoption of the new articles of association (the "**New Articles**") by the Company in place of the existing articles of association.

Proposal:

That, conditional upon completion of the transfer of the registered office of the Company from Malta to the UK pursuant to Article 8 of the Council of the European Union's Regulation No. 2157/2001 of 8 October 2001 on the Statute for a European Company, the New Articles produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification, a summary of which is set out at Schedule 1 of Part 2 to the circular to shareholders of the Company dated 26 May 2017, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the December 2015 Articles.

Ordinary Resolution

2. Adoption of the New Management Incentive Scheme

Purpose:

To approve and adopt the new Management Incentive Scheme ("**New Management Incentive Scheme**")

Proposal:

That, conditional upon completion of the transfer of the registered office of the Company from Malta to the UK pursuant to Article 8 of the Council of the European Union's Regulation No. 2157/2001 of 8 October 2001 on the Statute for a European Company, the New Management Incentive Scheme produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification, a summary of which is set out at Part 3 to the circular to shareholders of the Company dated 26 May 2017 be adopted as the New Management Incentive Scheme of the Company.

Ordinary Resolution

3. Approval of Takeover Code Waiver

Purpose:

To approve the waiver of obligations under Rule 9 of the UK City Code on Takeovers and Mergers (the "Takeover Code") (the "Waiver")

Proposal:

To approve a waiver granted by the UK Panel on Takeovers and Mergers of the obligation under Rule 9 of the Takeover Code that would otherwise arise on each of: (i) Tiso Investment Holdings Proprietary Limited, (ii) Tiso Foundation Charitable Trust, (iii) David Kwame Tandoh Adomakoh and (iv) Nkululeko Leonard Sowazi if their shareholdings increased as a result of the Company purchasing some or all of its Shares, pursuant to the buy back authority approved at the last annual general meeting.

The quorum requirement in relation to all resolutions of the Company is at least two members of the Company present or represented at the Extraordinary General Meeting. If the Extraordinary General Meeting is not quorate, it can be adjourned to a date not less than seven and not more than 30 days after the Extraordinary General Meeting as the Chairman shall determine.

Ordinary resolutions may be passed at the Extraordinary General Meeting by a member or members holding more than 50 per cent. of the voting rights attached to shares represented and entitled to vote at the meeting.

The Ordinary Resolution 3 to approve the Waiver will be taken on a poll to be called by the Chairman of the EGM and to be passed by more than 50 per cent. of votes cast by Independent Shareholders at the EGM present in person or by proxy and voting at the EGM. The members of the Concert Party will not be entitled to vote on Resolution 3.

Extraordinary resolutions require:

- (A) a 75 per cent. majority by nominal value of the shares represented at the Extraordinary General Meeting and entitled to vote thereat; and
- (B) a majority vote of at least 51 per cent. in nominal value of all the shares entitled to vote at the Extraordinary General Meeting.

If one but not both of the majorities for an extraordinary resolution is met, a second meeting may be convened within 30 days to take another vote. At the said second meeting, either one of the following majorities will suffice:

- (A) 75 per cent. majority by nominal value of the shares represented and entitled to vote at the second meeting; or
- (B) a simple majority in nominal value where more than half in nominal value of all of the shares entitled to vote are represented at the meeting.

By order of the Board
Leanna Isaac
Company Secretary
26 May 2017

Notes:

1. This notice of Extraordinary General Meeting is being mailed to the Members on the Register of Members of the Company. Members registered on the Register of Members as of 19 May 2017 (the "Record Date") shall have the right to participate and vote at the Extraordinary General Meeting. Accordingly, the last day to trade for Shareholders on the South African register in order to be able to participate and vote at the meeting is 19 May 2017. Any change to an entry on the Register after the Record Date shall be disregarded in determining the right of any person to attend and vote at the Extraordinary General Meeting.
2. A member entitled to attend and vote may appoint a proxy to attend and vote instead of him/her using the enclosed Form of Proxy; the appointed proxy need not be a member.
3. To be valid, the Form of Proxy must be signed and the signed Form of Proxy must either reach the Company's registered office at 3rd Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta or at Berkeley Square House, Berkeley Square, London, W1J 6BD, or be emailed to: info@tisoblackstar.com or reach Link Market Services South Africa (Pty) Limited or Capita Asset Services, as set out below. In either case, by no later than 15 June 2017 at 10:00a.m. (CEST) /10:00a.m. (SAST). In order to assist Shareholders:
 - (i) certificated Shareholders and own-name registered dematerialised Shareholders on the South African register are strongly urged to send their signed Form of Proxy to South African Transfer Secretaries, Link Market Services South Africa (Pty) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) to be received by no later than 15 June 2017 at 10:00a.m. (SAST); and
 - (ii) certificated Shareholders who trade their shares on AIM of the London Stock Exchange and are registered on AIM part of the register of members are strongly urged to send their signed Form of Proxy to Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU to be received by no later than 16 June 2017 at 09:00a.m. (BST), so as to enable the Form of Proxy to be forwarded on your behalf to the Company no later than 19 June 2017 at 10:00a.m. (CEST) /10:00a.m. (SAST).
4. Dematerialised Shareholders on the South African register, other than own-name registered dematerialised Shareholders, who wish to attend the Extraordinary General Meeting in person, will need to request their Central Securities Depository Participant ("CSDP") or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholders and the CSDP or broker. Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who are unable to attend the Extraordinary General Meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein. The CSDP or broker must provide all voting instructions to the transfer secretaries by no later than 15 June 2017 at 10:00a.m. (SAST).
5. Holders of Depository Interests representing shares in the Company can instruct Capita IRG Trustees Limited, the Depository, or amend an instruction to a previously submitted direction, via the CREST system. The CREST message must be received by the issuer's agent RA10 by 14 June 2017 at 09:00a.m. (BST). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with instructing Capita IRG Trustees Limited via CREST. For further information on CREST procedures, limitations and system timings, please refer to the CREST Manual. We may treat as invalid a direction appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities

Regulations 2001. In any case, your Form of Direction must be received by the Company's registrars no later than 14 June 2017 at 09:00a.m. (BST).

6. Please indicate in the Form of Proxy the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.
7. A Form of Proxy which may be used to appoint a proxy and give proxy directions accompanies this Notice of Extraordinary General Meeting. If you are a shareholder on AIM register and do not receive a Form of Proxy and believe that you should have one, or if you require additional Forms of Proxy in order to appoint more than one proxy, please contact Capita Asset Services on 0871 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. If you are a shareholder on the South African register and do not receive a Form of Proxy and believe that you should have one, or if you require additional Forms of Proxy in order to appoint more than one proxy, please contact Link Market Services South Africa (Pty) Limited on +27 11 713 0800, lines are open 08h30 – 16h30 (SAST) Monday – Friday.
8. In order to participate and vote at the Extraordinary General Meeting, a Member being a body corporate, association of persons, foundation or other body of persons, a representative thereof will only be eligible to attend and be admitted to the Extraordinary General Meeting, and to vote thereat, if a Form of Proxy has been (a) duly executed in his/her favour by the competent organ of the entity which he/she represents, and (b) submitted to the Company Secretary in accordance with the procedures set out at note 3 above.
9. Any one of the joint holders of any share for the time being conferring a right to vote may vote either personally or by proxy at any meeting in respect of such share as if he were the sole holder, provided that if more than one of the joint holders is present at any meeting, either personally or by proxy, the person whose name stands first in the register as one of such holders, and no other, shall be entitled to vote in respect of the share.
10. Admission to the Extraordinary General Meeting will commence one hour before the advertised and appointed time.
11. After the Extraordinary General Meeting has proceeded to business, voting documents will continue to be issued until such time as the Extraordinary General Meeting proceeds to vote on the first Resolution of the Agenda whether by show of hands or by poll. Thereafter, no further voting documents will be issued, and admittance to the Extraordinary General Meeting will be discontinued.
12. The following information is also made available to the Members on the Tiso Blackstar Group SE website (www.tisoblackstar.com) located at Publications, Extraordinary General Meeting Documents section:
 - (i) a copy of this Notice of Extraordinary General Meeting;
 - (ii) the New Management Incentive Scheme;
 - (iii) the New Articles; and
 - (iv) the Form of Proxy and Form of Direction for the Extraordinary General Meeting.

SECTION 2 – EXPLANATORY NOTES TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING

The following information provides additional background information in respect of each Resolution to be proposed that is not ordinary business.

Resolution 1 – Adoption of the New Articles of Association

This Resolution will authorise the New Articles to be adopted by the Company.

Resolution 2 – Adoption of the New Management Incentive Scheme

This Resolution will authorise the New Management Incentive Scheme to be adopted by the Company.

Resolution 3 – Approval of Takeover Code Waiver

This Resolution will approve the waiver of obligations under Rule 9 of the Takeover Code.

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SECTION 3 – FORM OF PROXY

TISO BLACKSTAR GROUP SE

(registered in Malta with registered number SE4)
 3rd Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta (the "**Company**")

FORM OF PROXY

For use by registered Shareholders at the Extraordinary General Meeting to be held at 3rd Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta on 20 June 2017 at 10:00a.m. (CEST)/10:00a.m. (SAST).

Capitalised terms which are used in this Form of Proxy but which are not defined shall have the meaning attributed thereto in the Notice of Extraordinary General Meeting dated 26 May 2017.

Please read the Notice of Extraordinary General Meeting (attached as Part 1 of this document) and the explanatory notes below before completing this form.

HOLDERS OF DEPOSITORY INTERESTS SHOULD COMPLETE THE FORM OF DIRECTION IN PART 4 AND SHOULD NOT COMPLETE THIS FORM OF PROXY.

I/We
 (Please insert full name in block capitals)

Of
 (Please insert address in block capitals)

being (a) member(s) of Tiso Blackstar Group SE (the "**Company**"), hereby appoint the Chairman of the Extraordinary General Meeting,

or (see Note 1)

as my/our proxy in relation to all/..... of my/our shares, to attend and vote for me/us at the Extraordinary General Meeting of the Company to be held on 20 June 2017 at 10:00a.m. (CEST) /10:00a.m. (SAST) and at any adjournment of that meeting. I/We direct the proxy to vote in relation to the Resolutions referred to below as follows:

Please indicate by ticking the box if this proxy appointment is one of multiple appointments being made

For the appointment of one or more proxy see Note 1.

Resolutions

Extraordinary Resolutions		For	Against	Abstain
1.	To authorise the adoption of the New Articles of Association by the Company in place of the existing articles of association.			
Ordinary Resolutions		For	Against	Abstain
2.	To approve and authorise the adoption of the New Management Incentive Scheme.			
3.	To approve the waiver of obligations under Rule 9 of the Takeover Code			

If you want your proxy to vote in a certain way on the Resolutions specified, please place an "X" in the appropriate box. If you fail to select any of the given options, your proxy can vote as he/she chooses or can decide not to vote at all. The proxy can also do this on any other Resolution that is put to the meeting.

Please indicate below whether or not you intend to be present at the meeting. This information is sought for administrative purposes only and will not affect your right to attend the meeting, notwithstanding any indication to the contrary.

I will be attending the Extraordinary General Meeting

I will not be attending the Extraordinary General Meeting

Signature

Date2017

Notes:

1. To appoint as a proxy a person other than the Chairman of the Extraordinary General Meeting, insert the full name in the space provided. A proxy need not be a member of the Company. You can also appoint more than one proxy, provided each proxy is appointed to exercise the rights attached to a different share or shares held by you. The following options are available:
 - (i) To appoint the Chairman as your sole proxy in respect of all your shares, simply fill in any voting instructions in the appropriate box and sign and date the Form of Proxy.
 - (ii) To appoint a person other than the Chairman as your sole proxy in respect of all your shares, delete the words 'the Chairman of the Extraordinary General Meeting (or)' and insert the name and address of your proxy in the spaces provided. Then fill in any voting instructions in the appropriate box and sign and date the Form of Proxy.
 - (iii) To appoint more than one proxy, you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. If you wish to appoint the Chairman as one of your multiple proxies, simply write 'the Chairman of the Extraordinary General Meeting'. All forms must be signed and should be returned together in the same envelope.
2. If no voting indication is given, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.
3. To be valid, the Form of Proxy must be signed and the signed Form of Proxy must either reach the Company's registered office at 3rd Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta or at Berkeley Square House, Berkeley Square, London, W1J 6BD, or be emailed to info@tisoblackstar.com or reach Link Market Services South Africa (Pty) Limited or Capita Asset Services, as set out below, in either case by no later than 15 June 2017 at 10:00a.m. (CEST) /10:00a.m. (SAST). In order to assist Shareholders:
 - (i) certificated Shareholders and own-name registered dematerialised Shareholders who trade their shares on the South African register are strongly urged to send their signed Form of Proxy to South African Transfer Secretaries, Link Market Services South Africa (Pty) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) to be received by no later than 15 June 2017 at 10:00a.m. (SAST); and
 - (ii) certificated Shareholders who trade their shares on AIM of the London Stock Exchange and are registered on AIM part of the register of members are strongly urged to send their signed Form of Proxy to Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU to be received by no later than 16 June 2017 at 09:00a.m. (BST), so as to enable the Form of Proxy to be forwarded on your behalf to the Company no later than 19 June 2017 at 10:00a.m. (CEST).
4. Dematerialised Shareholders on the South African register, other than own-name registered dematerialised Shareholders, who wish to attend the Extraordinary General Meeting in person, will need to request their CSDP or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholders and the CSDP or broker. Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who are unable to attend the Extraordinary General Meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein. The CSDP or broker must provide all voting instructions to the transfer secretaries by no later than 15 June 2017 at 10:00a.m. (SAST).

5. Holders of Depository Interests representing shares in the Company can instruct Capita IRG Trustees Limited, the Depository, or amend an instruction to a previously submitted direction, via the CREST system. The CREST message must be received by the issuer's agent RA10 by on 14 June 2017 at 09:00a.m. (BST). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with instructing Capita IRG Trustees Limited via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a direction appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001. In any case, your Form of Direction must be received by the Company's registrars no later than on 14 June 2017 at 09:00a.m. (BST).
6. A corporation must execute the Form of Proxy under either its common seal or the hand of a duly authorised officer or attorney.
7. The Form of Proxy is for use in respect of the Shareholder account specified above only and should not be amended or submitted in respect of a different account.
8. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting should you subsequently decide to do so.

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SECTION 4 – FORM OF DIRECTION

TISO BLACKSTAR GROUP SE

(registered in Malta with registered number SE4)
 3rd Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta (the "**Company**")

FORM OF DIRECTION

Form of Direction for completion by holders of Depository Interests representing shares on a one for one basis in the Company in respect of the Extraordinary General Meeting of the Company to be held at 3rd Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta on Tuesday on 20 June 2017 at 10:00a.m. (CEST) /10:00a.m. (SAST).

This Form of Direction is for use by holders of Depository Interests issued by Capita IRG Trustees Limited only.

Capitalised terms which are used in this Form of Direction but which are not defined shall have the meaning attributed thereto in the Notice of Extraordinary General Meeting dated 26 May 2017.

I/We

of.....

(Please insert full name(s) and address(es) in BLOCK CAPITALS)

being a holder of Depository Interests representing shares in the Company hereby instruct Capita IRG Trustees Limited (the "**Depository**"), to vote for me/us and on my/our behalf in person or by proxy at the 2017 Extraordinary General Meeting of the Company to be held on the above date (and at any adjournment thereof) as directed by an X in the spaces below.

Please indicate with an "X" in the spaces below how you wish your vote to be cast. If no indication is given, you will be deemed as instructing the Depository to abstain from voting on the specified Resolution.

Extraordinary Resolutions		For	Against	Abstain
1.	To authorise the adoption of the New Articles of Association by the Company in place of the existing articles of association.			
Ordinary Resolutions		For	Against	Abstain
2.	To approve and authorise the adoption of the New Management Incentive Scheme.			
3.	To approve the waiver of obligations under Rule 9 of the Takeover Code.			

Signature

Date2017

Notes:

1. To be effective, this Form of Direction and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power or authority, must be deposited at Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than on 14 June 2017 at 09:00a.m. (BST) or 72 hours before the time appointed for holding any adjourned meeting.
2. Any alterations made to this Form of Direction should be initialled.
3. In the case of a corporation, this Form of Direction should be given under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
4. Please indicate how you wish your votes to be cast by placing "X" in the box provided. On receipt of this form duly signed, you will be deemed to have authorised the Depository to vote, or to abstain from voting, as per your instructions.
5. Depository Interests held in uncertificated form (i.e. in CREST), representing shares on a one-for-one basis in the Company, may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual. The CREST message must be received by the issuer's agent RA10 by 14 June 2017 at 09:00a.m. (BST).
6. The Depository will appoint the Chairman of the Extraordinary General Meeting as its proxy to cast your votes. The Chairman may also vote or abstain from voting as he or she thinks fit on any other business (including amendments to Resolutions) which may properly come before the Extraordinary General Meeting.
7. Depository Interest holders wishing to attend the Extraordinary General Meeting should contact the Depository at Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by e-mail at custodymgt@capita.co.uk by no later than 12 June 2017 at 09:00a.m. (BST) or seven days before the time appointed for holding any adjourned meeting.

PART 5: ADDITIONAL INFORMATION

1. RESPONSIBILITY

- 1.1. The Directors accept responsibility for the information contained in this Circular and to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in the document is in accordance with the facts and that it does not omit anything likely to affect the import of the information.
- 1.2. Each member of the Concert Party accepts responsibility for the information contained in this Circular relating to each of them as members of the Concert Party and to the best of the knowledge and belief of each member of the Concert Party, (having taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. DIRECTORS

- 2.1. The Directors of the Company and their functions are as follows:

Director	Function
David Kwame Tandoh Adomakoh	Non-Executive Group Chairman
John Broadhurst Mills	Non-Executive Deputy Chairman and lead Independent Director
Nkululeko Leonard Sowazi	Non-Executive Director
Andrew David Bonamour	Non-Executive Director
Marcel Ernzer	Independent Non-Executive Director
Richard Thomson Wight	Independent Non-Executive Director
Harishkumar Kantilal Mehta	Independent Non-Executive Director

3. DETAILS OF THE CONCERT PARTY MEMBERS

The members of the Concert Party and details of the reason for their membership of the Concert Party are set out below. Their holdings are set out in paragraph 4.

(a) **Tiso Investment Holdings Proprietary Limited ("TIH")**

TIH is a private company with a Registration Number 2000/027686/07 incorporated in accordance with the laws of South Africa. David Adomakoh and Nkululeko Sowazi are both beneficially interested in TIH, as each of them indirectly owns 50% of TIH.

(b) **Tiso Foundation Charitable Trust ("Tiso Foundation")**

The Tiso Foundation is an inter vivos trust, registered in accordance with the laws of South Africa (Master's Reference No. IT 2962/02). The trust was established in 2001 and first launched in 2005. It is a self-sustained public benefit organisation ("PBO") focusing on supporting youth education, development and leadership. Its website can be accessed at <http://tisofoundation.co.za/>.

The Tiso Foundation currently has seven trustees, two of which are David Adomakoh and Nkululeko Sowazi. TIH has sole rights to appoint and remove the trustees of the Tiso Foundation.

TIH and the Tiso Foundation acquired their shares in Tiso Blackstar in 2015 as part of the consideration for the sale of a 22.9% interest in Kagiso Tiso Holdings Proprietary Limited ("KTH") to the Company. This transaction constituted a reverse takeover pursuant to Rule 14 of the AIM Rules.

(c) **David Adomakoh**

David Adomakoh is the Chairman of TIH, a co-founder of Tiso Group and served as its Group Managing Director. He is a former Director of Chase Manhattan Limited, London; Head of the Chase Manhattan Bank, Southern Africa; Executive Director of Robert Fleming Holdings South Africa Limited; and Head of Africa Corporate Finance at JPMorgan Chase Bank, N.A. Johannesburg branch. He currently serves as a non-executive director of KTH, and Chairman of its Investment and Valuation Committee. David serves as a non-executive director of Vanguard Group Limited (Ghana).

His experience spans 25 years in executive management and investment banking and includes principal investing, corporate and project finance advisory work, debt capital raising, and financial derivatives in a number of countries, predominantly in Africa and Europe. He has also served on the boards of a number of South African, Nigerian and Ghanaian companies.

David is a founder trustee of The Tiso Foundation and a World Fellow of the Duke of Edinburgh's International Award. He holds a BSc (Econs) Hons (London School of Economics) and Diplôme de Langue et de Civilisation (La Sorbonne, Université de Paris).

(d) **Nkululeko Sowazi**

Nkululeko Sowazi is the Chairman of KTH, a leading South African Investment holding company with significant interests in the media, financial services and resources sectors. KTH was formed in July 2011 following the merger of two leading black owned investment firms, KTI and Tiso Group, with combined gross assets of R15 billion. Nkululeko was the Executive Chairman and co-founder of Tiso Group which was formed in 2001 and grew to a multi-billion rand investment company by the time the merger was concluded. He is currently a non-executive director of the JSE listed companies Grindrod Limited and Litha Healthcare Group Limited.

Nkululeko serves as a non-executive director of Actom Holdings Proprietary Limited and Idwala Industrial Holdings Proprietary Limited. He also serves on a number of not for profit organisations. He is a founder trustee of Tiso Foundation, Chairman of the Homeloan Guarantee Company and Housing for HIV Foundation based in Washington D.C. He serves on the board of governors of Michaelhouse College and is a World Fellow of the Duke of Edinburgh's International Award.

Nkululeko holds a BA degree in economics and a MA from the University of California, Los Angeles (UCLA).

4. INTERESTS AND DEALINGS

4.1. *Definitions*

For the purposes of this paragraph 4:

- 4.1.1 "acting in concert" has the meaning attributed to it in the Takeover Code, a copy of which is available at <http://www.thetakeoverpanel.org.uk/wp-content/uploads/2008/11/code.pdf?v=2May2017>;
- 4.1.2 "arrangement" includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities which may be an inducement to deal or refrain from dealing;

- 4.1.3 "connected adviser" has the meaning attributed to it in the Takeover Code;
- 4.1.4 "control" means an interest, or interests in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company, which are exercisable at a general meeting irrespective of whether such interest or interests give de facto control;
- 4.1.5 "dealing" includes (a) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities, or of general control of securities; (b) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities; (c) subscribing or agreeing to subscribe for relevant securities; (d) the exercise or conversion, whether in respect of new or existing relevant securities, of any relevant securities carrying conversion or subscription rights; (e) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities; (f) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and (g) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- 4.1.6 "derivative" includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;
- 4.1.7 a person has an "interest" or is "interested" in relevant securities if he has a long economic exposure, whether absolute or conditional, to changes in the price of those securities and in particular if:
- (a) he owns them;
 - (b) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
 - (c) by virtue of any agreement to purchase, option or derivative, he:
 - (1) has the rights or option to acquire them or call for their delivery; or
 - (2) is under an obligation to take delivery of them,
 whether the rights, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (d) he is party to any derivative:
 - (1) whose value is determined by reference to their price; and
 - (2) which results, or may result, in his having a long position in them;
- 4.1.8 "relevant securities" means Shares and securities convertible into, rights to subscribe for, derivatives referenced to, and options (including traded options) in respect of Shares; and
- 4.1.9 "short position" means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligations or right to require another person to purchase or take delivery.

The Company and Directors of the Company

- 4.2. As at the close of business on the Latest Practicable Date prior to publication of this Circular the total number of Shares in issue was 268,291,260 of which 2,512,349 were held in

treasury. Accordingly, there were 265,778,911 Shares with voting rights. There are no warrants or options in issue to subscribe for new Shares.

- 4.3. As at the close of business on the Latest Practicable Date, the interests, rights to subscribe and short positions of the Directors, their immediate families and persons connected with them in the share capital of the Company, together with any options in respect of such share capital (all of which holdings are beneficially held unless otherwise stated) required to be notified to the Company or which are required to be entered into the Company's Shareholder register, are as set out below:

Director		Number of Shares	% of issued share capital net of treasury shares
John Broadhurst Mills ⁱ		761,328	0.3
Andrew David Bonamour ⁱⁱ		8,781,980	3.3
David Kwame Tandoh Adomakoh	Beneficial ⁱⁱⁱ	53,787,536	20.20
	Non-Beneficial ^{iv}	38,984,567	14.70
Nkululeko Leonard Sowazi	Beneficial ⁱⁱⁱ	53,787,536	20.20
	Non-Beneficial ^{iv}	38,984,567	14.70

- i. These shares are held indirectly.
- ii. These shares are held both directly and indirectly.
- iii. This shareholding is held by TIH. David Adomakoh and Nkululeko Sowazi each indirectly hold a 50% stake in TIH.
- iv. This shareholding is held by Tiso Foundation Charitable Trust. David Adomakoh and Nkululeko Sowazi are non-beneficially interested in this shareholding. Their interest only arises as a result of them being two of the seven trustees on the Tiso Foundation Charitable Trust.

- 4.4. None of the Directors, nor any member of their immediate families or related trusts (so far as the Directors are aware having made due enquiry), dealt in relevant securities of the Company during the 12 months prior to the Latest Practicable Date.

- 4.5. As at the close of business on the Latest Practicable Date and save as disclosed in this Circular, none of (i) the Company, (ii) the Directors; (iii) any of the Directors' immediate families or related trusts; (iv) the pension funds of the Company or its subsidiary undertakings; (v) any employee benefit trust of the Company or its subsidiary undertakings; (vi) any connected adviser to the Company or its subsidiary undertakings or any person acting in concert with the Directors; (vii) any person controlling, controlled by or under the same control as any connected adviser falling within (vi) above (except for an exempt principal trader or an exempt fund manager); nor (viii) any other person acting in concert with the Company; owns or controls, has a short position, or has borrowed or lent (or entered into any financial collateral arrangement of the kind referred to in Note 4 on Rule 4.6 of the Code), or is interested in, or has any right to subscribe for, or any arrangement concerning, directly or indirectly, any relevant securities of the Company.

- 4.6. Neither the Company nor any of the Directors nor any member of their immediate families or related trusts, owns or controls or is interested, directly or indirectly in or has any short position in, any member of the Concert Party or any securities convertible into, or exchangeable for, rights to subscribe for and options (including traded options) in respect of, and derivatives referenced to, any of the foregoing, or has dealt in any such securities in the 12 months prior to the Latest Practicable Date.

- 4.7. Neither the Company, the Directors, nor any person acting in concert with the Company has borrowed or lent any relevant securities.

The Concert Party's current interest and maximum potential interests following implementation of the Proposals

- 4.8. As at the close of business on the Latest Practicable Date, and save as disclosed in paragraph 4.9 below, none of the members of the Concert Party nor any members of their immediate families, any related trust, nor any connected persons (within the meaning of section 252 of the UK Companies Act 2006), nor any person acting in concert with such persons, nor any member of their immediate families or related trusts (so far as the Directors are aware having made due enquiry) had interests, rights to subscribe and short positions in the relevant shares or securities of the Company.
- 4.9. As at the close of business on the Latest Practicable Date, the interests of the members of the Concert Party in the relevant shares or securities of the Company, as well as the maximum potential percentage holdings of the Concert Party members and the Concert Party as a whole, based on full exercise of the remaining buy back authority granted at the AGM held on 15 December 2016 were as set out in the table below:

Concert Party members		Number of Shares	<u>Current</u>	<u>Maximum</u>
			<u>shareholdings</u>	<u>potential</u>
			% of issued share capital net of treasury shares	% of issued share capital net of treasury shares
Tiso Investment Holdings Proprietary Limited		53,787,536	20.20%	22.36%
Tiso Foundation Charitable Trust		38,984,567	14.70%	16.21%
David Adomakoh	Beneficial ⁱ	53,787,536	20.20%	22.36%
	Non-Beneficial ⁱⁱ	38,984,567	14.70%	16.21%
Nkululeko Sowazi	Beneficial ⁱ	53,787,536	20.20%	22.36%
	Non-Beneficial ⁱⁱ	38,984,567	14.70%	16.21%
Total Holdings		92,772,103	34.90%	38.57%

- i. This shareholding is held by TIH. David Adomakoh and Nkululeko Sowazi each indirectly hold a 50% stake in TIH.
- ii. This shareholding is held by Tiso Foundation Charitable Trust. David Adomakoh and Nkululeko Sowazi are non-beneficially interested in this shareholding. Their interest only arises as a result of them being two of the seven trustees on the Tiso Foundation Charitable Trust.
- 4.10. As at the close of business on the Latest Practicable Date and save as disclosed in this Circular, none of the members of the Concert Party nor any members of their immediate families, any related trust, nor any connected persons (within the meaning of section 252 of the UK Companies Act 2006), nor any person acting in concert with such persons, owns or controls, or has borrowed or lent, or is interested in, or has any right to subscribe for, or any arrangement concerning, directly or indirectly, any relevant shares or securities of the Company, or has any short position (whether conditional or absolute and whether in the money or otherwise), including a short position under a derivative, any agreement to sell or any delivery obligation in respect of any right to require any person to purchase or take delivery of, any such relevant shares or securities of the Company.
- 4.11. None of the members of the Concert Party nor any members of their immediate families, any related trust, nor any connected persons (within the meaning of section 252 of the UK Companies Act 2006), nor any person acting in concert with such persons, nor any member of their immediate families or related trusts (so far as the Directors are aware having made

due enquiry), dealt in relevant securities of the Company during the 12 months prior to the Latest Practicable Date.

- 4.12. No member of the Concert Party has entered into any agreement, arrangement or understanding with any of the Directors which has any connection with or dependence upon the Waiver. In addition, there is no agreement, arrangement or understanding having any connection with or dependence upon the Waiver between any member of the Concert Party and any person interested or recently interested in Shares in the Company, or any other recent director of the Company.
- 4.13. Save for the new MIS outlined in section 3 of Part 1 of this document, no incentivisation arrangements have been entered into and no proposals as to any incentivisation arrangements have reached an advanced stage between the Company and the Directors.
- 4.14. No agreement, arrangement or understanding has been entered into whereby the legal and/or beneficial interest in any Ordinary Shares held by or to be issued to any member of the Concert Party will be transferred to any other person.

Consents

- 4.15. In connection with the waiver resolutions and in order to comply with the requirements of the Code, Northland Capital has given and has not withdrawn its written consent to the issue of this Circular with the references to it in the form and context in which they appear.

5. DIRECTORS' LETTERS OF APPOINTMENT

No Director has entered into a service agreement or letter of appointment with the Company. Each Director has been appointed pursuant to the Articles. However, Andrew Bonamour entered into a service agreement with Blackstar Group Proprietary Limited on or around 1 June 2009 which was for an initial fixed term of two years which was extended to an initial four year period from 1 June 2009 pursuant to the terms of an amended agreement dated 8 April 2011. The initial fixed term has expired and the agreement is now subject to termination on three months' notice.

During the 12 months ended 30 June 2016, Andrew Bonamour received a salary of R 1,871,000 and other benefits, which include medical aid, security and motor vehicle allowance of R 368,000, pursuant to his service agreement. As a non-executive director of the Company for the 12 months ended 30 June 2016, Andrew Bonamour also received a contractual director fee of R 490,000.

In addition, a discretionary amount of R 1,097,000 was awarded to Andrew Bonamour through the shareholder approved long term Management Incentive Scheme for the year ended 30 June 2016. Finally, as a result of the successful implementation of the TMG and KTH acquisitions in 2015, the directors were awarded a consulting fee whereby Andrew Bonamour received R 419,000.

6. THE COMPANY

- 6.1. The Company is a European public limited company (*Societas Europaea*), registered and incorporated in Malta with registration number SE4. Upon the Transfer becoming effective, it will be registered in England and Wales. The Company's shares are admitted to trading on the AIM Market of the London Stock Exchange and the AltX of the JSE.
- 6.2. The Company was readmitted to trading on AIM on 8 June 2015, following the successful implementation of the acquisition of the entire issued share capital of Times Media Group Limited ("TMG") not already owned by the Company or Blackstar (Cyprus) Investors Limited (excluding treasury shares), as well as the acquisition of an effective 22.9% interest in KTH.
- 6.3. The audited accounts of the Company for the last two financial period ended 30 June 2016 can be accessed at <http://www.tisoblackstar.com/publications/> and are incorporated by reference into this Circulars (pursuant to Rule 24.15 of the Code).

- 6.4. The Company's interim financial statements for the 6 months ended 31 December 2016 can be accessed at <http://www.tisoblackstar.com/publications/> and are incorporated by reference into this Circular (pursuant to Rule 24.15 of the Code).
- 6.5. The members of the Concert Party have confirmed that they do not intend that the future of the business and the location of the Company's place of business will be altered as a result of the proposed Waiver. The members of the Concert Party have further confirmed that they do not intend that any of the Company's fixed assets are redeployed nor that the existing employment rights, including pension rights, of any employees or directors of the Company will be prejudiced. There are no plans to introduce any significant change in the business as a result of the Waiver and the Shares will continue to be admitted to trading on AIM and AltX.
- 6.6. Tiso Blackstar Group is a global media company with roots in Africa, operating market-leading newspaper, broadcast, digital and mobile properties focused on providing quality content and services to its varied audiences. The Group has strong exposure to the rapidly growing digital, broadcast and mobile markets, with a leading position in South Africa and a broad footprint across Kenya, Ghana and Nigeria.

In the interim results dated 20 March 2017, the Chairman stated that the Company has laid a solid foundation for sustainable growth, with new diversified revenues and stabilised core businesses well set to take advantage of any improvements in the South African economy. Once Tiso Blackstar receives the proceeds from the sale of the KTH shareholding, the balance sheet will be significantly strengthened and interest costs will reduce substantially.

The core businesses have performed satisfactorily to date in 2017 with key revenue streams above prior year and earnings growth continuing. The transformation of the business into a multi-platform diversified media company is proving successful and our market-leading brands continue to provide strong cash flows to support future growth.

7. MATERIAL CHANGES

There has been no significant change in the financial or trading position of the Company since 30 June 2016 being the date of the latest audited annual financial statements, save for the KTH disposal, as updated in the announcement of 19 May 2017, details of which are set out in section 8 below.

8. MATERIAL CONTRACTS

During the period beginning two years before the publication of this Circular, the Company has entered into the following material contracts:

Relationship Agreement

A relationship agreement dated 8 March 2017 entered into between the Company, David Adomakoh, Nkulukeko Sowazi, Tiso Investment Holdings Proprietary Limited and Northland Capital, which governs the relationship between each of the parties to it in order to ensure that the Company is able to carry on its business independently.

KTH Disposal

On 13 December 2016, the Company announced the conditional disposal of its 22.9% interest in KTH to Kagiso Capital Proprietary Limited ("**Kagiso Capital**") for a cash consideration of R1.5 billion (£90 million). The disposal was expected to close in May 2017.

On 19 May 2017, the Company announced an update on the conditional disposal, whereby KTH has conditionally agreed to repurchase the Company's entire shareholding of 213,235 ordinary shares in KTH constituting 22.9% of KTH's issued ordinary share capital (excluding treasury shares), held through its wholly owned subsidiary Tiso Blackstar Holdings SE (previously Tiso Blackstar (Cyprus) Public Limited) ("**KTH Repurchase**"). Accordingly, Tiso Blackstar and Kagiso Capital have agreed to cancel the initial sale and purchase agreement.

The KTH Repurchase price, which is the same as for the structure previously announced, is ZAR1.5 billion (approximately £86 million) but will be paid over a 19 month period, with ZAR1 billion (approximately £57 million) paid on or before 31 December 2017, and the balance on or before 31 December 2018.

As per the Company's previous announcement on 13 December 2016, a portion of the proceeds will be applied to fully repay Tiso Blackstar's term debt, which at 30 April 2017 was ZAR399 million (£23 million). Tiso Blackstar also remains intent on paying a special dividend of ZAR40 million (£2.3 million). The remaining funds will be held to be reinvested into media-focused investments in accordance with Tiso Blackstar's stated strategy.

The KTH Repurchase is subject to the fulfilment of a number of suspensive conditions, including:

- a) Completion of KTH debt restructure;
- b) KTH shareholder waiver of pre-emptive rights; and
- c) KTH shareholder approval in terms of s115 (2)(a) of the Companies Act, No71 of 2008.

Robor acquisition

On 22 October 2015, the Company announced that the pre-conditions for the acquisition of additional ordinary shares in Robor (Pty) Limited ("**Robor**") had been completed, effective 21 October 2015, and as a result Tiso Blackstar increased its interest in Robor from 19.4% to 51%, for a consideration of R29.6 million (£1.5 million), settled through the issue of 1,740,358 Shares made up of 1,625,973 new Shares and 114,385 Shares which were held as treasury shares by the Company.

9. MARKET QUOTATIONS

The following are middle market quotations for the Shares for the first Business Day of each of the six months set out below and for the Latest Practicable Date:

Date	Price per share (p)
1 November 2016	46.00
1 December 2016	46.00
3 January 2017	49.00
1 February 2017	53.75
1 March 2017	61.50
3 April 2017	62.00
Latest Practicable Date (24 May 2017)	59.00

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be published on the Company's website at <http://www.tisoblackstar.com/publications/> and will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Circular at the registered office of the Company and at the offices of Paul Hastings LLP, Ten Bishops Square, Eighth Floor, London E1 6EG and at the place of the EGM for 15 minutes prior to the meeting and during the meeting:

- (i) the Memorandum and Articles of the Company;
- (ii) the audited financial statements to 30 June 2016;
- (iii) the interim financial statements for the six months ended 31 December 2016
- (iv) the consent letter from Northland Capital; and
- (v) this Circular

A person who has received this Circular may request a copy of any documents or information incorporated by reference into this Circular. A copy of any such documents or information incorporated by reference into this Circular will not be provided unless requested from the Company Secretary, Leanna Isaac, at Third Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805 Malta or at Berkeley Square House, Berkeley Square, London W1J 6BD, England or by telephone on +44 (0) 20 78876018.

Save as set out above in this Circular, neither the contents of the Company's website, nor the contents of any website accessible from hyperlinks on the Company's website, is incorporated into, or forms part of, this Circular.

Dated: 26 May 2017