



INGWELALA SHARE BLOCK (PTY) LTD

(Incorporated in the Republic of South Africa)
REGISTRATION NO. 1983/006997/07)

22 February 2017

NOTICE OF SPECIAL GENERAL MEETING

Thursday, 16th March 2017

DIRECTORS

John M Saker (Chairman)	John H Llewellyn (Managing)
Andrew R Hauptfleisch (Vice Chairman)	Gregory B Babaya
Charl D du Plessis	Derek G King
Gavin I Maile	Nic Roodt
Andrew Rossaak	Georg R Schwaeble
Bruce R Simpson	Helen J Tonetti

Notice is hereby given that a Special General Meeting of the Company will be held at The Bryanston Country Club Bryanston, Johannesburg, on **Thursday, 16th March 2017, at 18.30.**

AGENDA

- 1. To ELECT replacement members of the Audit Committee, comprising three (3) members who are Directors of the Company.**
 - 1.1. At the Annual General Meeting of the Company in November 2016, six Director vacancies became available by reason of Directors retiring and or becoming unavailable. As Audit Committee Members need also to be Directors, the pool of available directors at the closing of nominations for Audit Committee duty seven days ahead of the 2016 AGM was limited to the continuing six Directors. From this abbreviated pool, the Members nominated and elected three audit Committee Members: Messrs Saker, Hauptfleisch and Rossaak.
 - 1.2. During the AGM, the six vacancies were filled by the Members electing replacement Directors and the enlarged pool of Directors now offers the Members an opportunity to elect to the Audit Committee from the enlarged pool of Directors persons more appropriate and suitable for Audit Committee duty - by reason of compliance with the King Code of Corporate Governance and by the skills and responsibilities of the now elected Directors.
 - 1.3. It is more appropriate that the Director vested with the portfolio for financial matters also serves on the Audit Committee and therefore the Directors seek the appointment of Gavin I Maile CA(SA) who also has prior professional audit committee experience. Similarly Gregory B Babaya CA(SA), in his current professional capacity, also has extensive financial and audit committee experience. For the third position, the Directors seek the appointment of Derek G King because of his experience in Information Technology, his practical current business and project experience and his somewhat non-financial background. All three nominees were elected at the November 2016 AGM as Directors.
 - 1.4. It is not appropriate in terms of the King Code of Corporate Governance that the Chairman of the Board (John M Saker) also serves on the Audit Committee. Similarly given the Legal and Environmental backgrounds of Andrew R Hauptfleisch (a retired lawyer) and Andrew Rossaak (a practicing environmental protection practitioner) respectively, these skills are better suited to alternative related Ingwelala portfolios. All three Directors have agreed to resign formally



INGWELALA SHARE BLOCK (PTY) LTD

(Incorporated in the Republic of South Africa)
REGISTRATION NO. 1983/006997/07)

from the Audit Committee under these circumstances to enable the election by the Members of the three replacement nominees.

- 1.5. These and any other alternative nominations for election to the Audit Committee must be received at the Reserve offices on the enclosed Nomination Form not less than 7 (seven) days nor more than 14 (fourteen) days before the holding of this Special General Meeting on 16th March 2017.
2. **To consider and APPROVE by Special Resolution Number 1 the proposed amendment to a Clause in the Company’s Memorandum of incorporation (Moi).**

Special Resolution No. 1

In accordance with Section 65 of the Companies Act, 2008.

For a Special Resolution to be approved by Shareholders, it must be supported by more than 75% of the voting rights exercised on the Resolution.

RESOLVED THAT the Company approves the amendment to the Memorandum of Incorporation by amending the current Clause 4.1.1 as follows (underlined text denotes additions and [bracketed] text denotes deletions):

Current	Proposed	Motivation
<p>Clause 4.1 The Company has the powers and capacity of an Individual, save to the extent of the following limitations which the Shareholders may rely upon against the Directors, namely –</p> <p>4.1.1: the Company shall only exercise such powers as may be necessary to enable it to realise its Main Object and objects ancillary to its Main Object</p>	<p>Clause 4.1 The Company has the powers and capacity of an Individual, save to the extent of the following limitations which the Shareholders may rely upon against the Directors, namely –</p> <p>4.1.1: the Company shall only exercise such powers as may be necessary to enable it to realise its Main Object and objects ancillary to its Main Object, <u>which ancillary objects shall include inter alia the conservation of wildlife, anti-poaching measures, employment of staff and the acquisition of assets to achieve, maintain and enhance its main object.</u></p>	<p>The proposed addition to clause 4.1.1 provides for certainty in the Moi as to the Main and Ancillary Objects of the company.</p> <p>Previously it was possible, but without sufficient certainty, to describe the ancillary objects of the company as described in the original Moi.</p> <p>The amendment arguable removes the uncertainty and provides greater clarity in the amended clause 4.1.1.</p>

Motivation:

Ingwelala is a private company but is also a shareblock company governed by the Companies Act, No 71 of 2008 and the Share Blocks Control Act, No 59 of 1980. We need to observe the requirements of both pieces of legislation.



INGWELALA SHARE BLOCK (PTY) LTD

(Incorporated in the Republic of South Africa)
REGISTRATION NO. 1983/006997/07)

Ingwelala has a "unique" MoI meaning that the "standard" MoI contained in the Companies Act as a suggested example was not adopted as the nature of Ingwelala is better served by the version that the Members adopted in 2013. (E.g. inter alia, despite being a private company the Ingwelala MoI still requires an audit committee like the public company that Ingwelala was prior to adopting the new MoI in 2013).

Our unique MoI contains as a Main Object: "to operate a Share Block Scheme (as defined in the Share Blocks Control Act) in respect of the Properties" (1.2.7); and that the Company shall only exercise such powers as may be necessary to enable it to realise its Main Object and objects ancillary to its Main Object (4.1.1).

In the case of a private company like Ingwelala, "ancillary" objects under the 2008 Companies Act is a wide enough term to support the purchase or acquisition or hiring of any type of asset by the company as long as these actions are related to the Main Objective. This principle may very well apply to a Share Block Company as well.

Some Members have indicated that there is some uncertainty as to the extent of the Ancillary Objects in that it is not the object of a share block company to own in particular an aircraft. There appears to be no uncertainty as to whether the Company may acquire a tractor or build accommodation for staff or acquire self-protection rifles or build a swimming pool, for examples, with or without Member approval, as currently provided for in the MoI. These actions, inter alia, have historically been possible and well executed.

Therefore in order to remove any uncertainty and to provide the Company and the Directors with a clear Main Object and Ancillary Objects and Powers to realise the Main and Ancillary Objects, the amendment is proposed by the Directors to make possible with certainty that the ancillary objects are wide ranging and supportive of the Main Objective, and that the Company has the Powers to achieve these.

3. Any Other Matters Raised by Members for General Discussion

On behalf of the Board,

JM SAKER
Chairman

22nd February 2017

Phone No: +27 (0)15 793 1242 Fax No: +27 (0)15 793 0056 E-mail: reception@ingwelala.co.za
JMS 21.2.17

Proxy - A Member entitled to attend and vote at the abovementioned Meeting is entitled to appoint a Proxy to attend, participate in, speak and vote at the Meeting in the place of the Member. The Proxy need not be a Member of the Company. A Proxy Form for use at the Meeting is enclosed. Proxy Forms must be lodged with the Secretary not less than 48 hours before the time of the Meeting or any adjournment thereof.