



Ingwelala Share Block Limited

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Message from the Chairman

Dear Members of Ingwelala

Introduction

Since my last Message in April 2013, numerous issues and developments continue to take place at Ingwelala, warranting an update in an endeavor to keep you well informed. John Llewellyn also includes relevant items in his monthly Reserve Reports and I encourage you to read these regularly.

Dando Flood Restoration Progress

We are almost at the finish line with the complete restoration of Ingwelala after the Dando 2012 Flood. The residual items that are still being tackled include the restoration of some Septic Tanks damaged by the Flood (the insurance claim has now been finalized and an appropriate solution and service provider is currently being sought) and the permanent repair of Combretum/Nyati Drive on Buffelsbed. The rebuild/repair of the last few flood damaged Bungalows is well underway.

Dams

You will recall that the landowners of the respective failed Dams, Messrs Jan Wilkens; Carina Schmidt; Graskop Saagmeule (Pty) Ltd and Vicrina (Pty) Ltd, seem committed to effect repairs on the Argyle, Peru and Wilkens/Vyeboom Dams notwithstanding our opposition. As directed by the authorities, they applied under the National Environmental Management Act for rectification of reconstruction activity that they undertook last year without the required authorizations and permits (referred to as a Section 24G application). Ingwelala, ably assisted by Andrew Rossaak and John Llewellyn together with the law firm ENS (Edward Nathan Sonnenberg Inc), have submitted their final comments in this regard following public participation meetings, and we eagerly await the final outcome of the application from the authorities.

Op Goedehoop Dispute

As previously reported, the possibility of formally sub-dividing Op Goedehoop as a permanent solution is continuing to be investigated as well as the establishment of a Joint Co-Operation Agreement between Op Goedehoop and Rodney Thorpe in the interim (or necessitated if sub-division fails). Ingwelala seeks to have access to the full 50% of the land area of Op Goedehoop that it is entitled to use, rather than the somewhat lesser area currently being accessed and traversed.

Security

Rhino Poaching – the poaching of Rhino continues unabated, drawing ever nearer to the Umbabat as each day goes by. A number of poaching incidents have occurred in the APNR over the last few months, prompting stricter security measures being introduced (see below).

Timbavati Gate (Enkhulu Gate) Access Restrictions – new security arrangements for the Enkhulu Gate have been introduced from 1 August 2013 and will continue to remain in place until further notice from the Control Gate Company. The new arrangements include the following:

- Access through the Gate (bi-directional) by delivery and contractors vehicles will be restricted to daylight hours from sunrise until two (2) hours before sunset. Special conditions will apply if these vehicles require an 'overnight permit'. This will potentially affect building operations at Ingwelala.
- Staff working in the APNR Reserves will not be allowed access (bi-directional) through the Gate from 22h00 to 06h00 daily. Special conditions will apply to emergencies and if a 'late access permit' is required.
- The access restrictions will not apply to land owners and their guests, share block members and their guests and lodge guests who will continue to have 24 hour access (bi-directional) through the Gate for the specific purpose of travelling to their final destinations. Clarity is still being sought on other types of movement.

Please contact Reception should you require any further clarity on access restrictions.

UPNR Association Membership update

Bi-lateral discussions continue amongst Umbabat landowners to restructure the Umbabat Private Nature Reserve Association (UPNRA) into a federal system, with the non-hunting areas (represented by Nkorho) and the hunting areas (represented by Group 13) each governing themselves under their own Constitutions. Considerations are being given as to the future role of the UPNRA under this federal system, common security issues as well as representation at the APNR level.

Recent Hunts

During March and April this year, Group 13 conducted two hunts in close proximity to Ingwelala, which were in the opinion of the Board "botched hunts".

On 23 March 2013, an Elephant was shot in the very close proximity (a few hundred meters) to Ingwelala's eastern Argyle boundary. The wounded Elephant chose to run directly south towards Motswari Lodge and was followed by the hunting party, who continued to fire numerous shots (in the region of 23 to 28) at it before it was finally killed in the close proximity of Motswari Lodge, which had many guests.

On 12 April 2013, just over 2 weeks later, a Buffalo was shot in very close proximity (also a few hundred meters) to Ingwelala's eastern Op Goedehoop boundary. The Client, the Professional Hunter and the Reserve Representative failed to kill the animal. The immediate follow-up operation failed to locate the wounded buffalo, despite the deployment of a helicopter and a tracker dog. All attempts by the hunting party to locate the injured Buffalo failed and the hunt was abandoned after two days of total disruption to Ingwelala.

Hunting practices of this nature are at variance with Ingwelala's mission, vision, purpose, values and ethos. Accordingly, the Board referred official complaints to the UPNRA, APNR and authorities on 26 April 2013. These complaints have been investigated and all three organizations

have advised the Board that the two hunts in question were conducted in accordance with the hunting protocol and therefore warrant no further action on their parts.

Staff Movements

John and Babs Lawrence recently left Ingwelala after relatively short employment durations in order to pursue work opportunities more aligned to their previous experience. I would like to thank them for their contributions to Ingwelala and wish them all the best in their new endeavours.

I am delighted to announce that Mark and Karen Shaw will be joining the Ingwelala management team from 7 September 2013 as Conservation Manager and Camp Manager respectively. Both have extensive experience in the wildlife recreational industry and bring exciting new ideas to Ingwelala.

Mark has worked at Madikwe, Ngala and Xaranna Safari Lodges with over 6 years of trail guiding experience, accumulating 5,000 hours on foot in high profile game areas. He is a keen twitcher who enjoys photographing wildlife and is looking forward to focusing on Ingwelala's Conservation activities.

Karen has worked at Madikwe, Phinda Mountain and Zuka Lodges, Singita Boulders Lodge and Ngala Tented Camp in the roles of Camp and Lodge Manager. She also has experience in the wildlife recreational travel industry and is looking forward to focusing on Ingwelala's facilities services to Members, as well as managing SiBon.

Policy on Business Ethics and Purchasing Goods and Services from Ingwelala Members and Board Members

It has been common practice over many years at Ingwelala that goods and services required by Ingwelala are purchased from Ingwelala Members from time to time in addition to independent suppliers. Often these transactions occur between Members rather than with the Company.

It is good business integrity and practice to ensure that such transactions are made free of any bias and undue influence, and that the Company's assets are appropriately protected and used. In furtherance of this, the Board has formulated and approved a Business Ethics and Purchasing Goods and Services Policy dealing with:

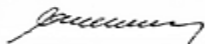
- conflicts of interest
- gifts, entertainment and hospitality
- use of Company assets

The Policy document will be available on the Ingwelala Website in due course.

Thank You

In conclusion, I would like to express the Board's and my sincere thanks to each and every Member for their patience and understanding during the disruptive post-Dando Flood period, as well as their continued support that makes Ingwelala the magic place that it is.

Sincerely



Kevin Alborough
Chairman