



Ingwelala Share Block Limited

Reg. No. 1983/006997/06

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3 July 2015

Message from the Chairman

Dear Members of Ingwelala

Introduction

Since my New Year Message in December 2014, numerous issues and developments have been taking place at Ingwelala, warranting an update on certain of these in an endeavor to keep you well informed. As previously mentioned, John Llewellyn also includes relevant items in his monthly Reserve Reports and I encourage you to continue to read these regularly.

Umbabat Federal System

A year has passed since the new Federal Constitution for the Umbabat Private Nature Reserve Association (UPNRA) was adopted at a Special General Meeting of the UPNRA held on 15 March 2014, with both the collective landowner representative associations (Nkorho Private Nature Reserves Association [NPNRA] and Umbabat Wilderness Conservation Association [UWCA]) managing their respective west and east parts of the Umbabat. I would like to congratulate Ivan Visée and Mark Shaw, who are the elected Chairman and Warden respectively of the Umbabat for the first 2-year term of office, on their superb efforts thus far. This term of office expires in March next year and will rotate to the UWCA. In particular, Ivan Visée has dedicated an enormous amount of effort, travel and personal time over the past few years in organizing, administrating and governing Nkorho and the UPNRA, as well as discharging his External Relations portfolio on our Board in an exemplary manner – thank you most sincerely Ivan.

Regrettably there is currently disagreement between the members of the Nkorho Private Nature Reserves Association [NPNRA] over the funding principle of Nkorho for its financial year April 2015 to March 2016. Your Board has taken the stance that the funding principle contained in the Nkorho Constitution (levies established on a per hectare basis) should be the basis for establishing the Budget, the major cost element of which is Security. Some of the other members of Nkorho are not agreeable to this principle (notwithstanding that they agreed to it in the Nkorho Constitution) and require the funding principle to be either on the number of bungalows or a hybrid formula between a per hectare basis and the number of bungalows. The Board is of the view that Ingwelala should not be required to pay 60% of the budget cost when it only owns 30% of the land area of Nkorho and that any other funding principle other than the per hectare basis, is unfair and inequitable. The “Per Hectare” basis would entail an Nkhoro levy for Ingwelala for 2015/2016 of R258 960 and the current “Hybrid” basis R409 788 for the same period. The latter number has been reckoned into the 2015/2016 Ingwelala Levy recently advised to Members.

Directors: K. Alborough (Chairman), J. Saker (Vice Chairman), J. Llewellyn (Managing), G. George, A. Hauptfleisch, C. Henderson, I. Knight, D. Penfold, A. Rossaak, G. Schwaeble, J. Vice, I. Visée,

The NPNRA ExCo has appointed a Task Team to investigate various funding models. The members are A. Rossaak (Ingwelala), W. Fuller (Mansimvula), D. MacRobert and J. Dowdle (Ntsiri), and C. Short (Ndlopfu). Ingwelala will attempt to obtain better value for its disproportionate share of the Nkhorh 2015/16 security costs.

Failed Dams

The outcome of our Appeal to the MEC that we lodged in July last year against the section 24G condonation ruling in favour of Wilkens' failed dams is still awaited. We will continue to resist the re-building of these Dam walls.

Drones

Currently it is illegal to operate remotely piloted aircraft ("RPA's", which are also commonly known as "Drones") in South Africa and particularly in Protected Areas such as the Umbabat Private Nature Reserve in which Ingwelala falls. The Department of Transport has recently published draft RPA Regulations for public comment in order to regulate this new industry.

Notwithstanding these regulatory developments, the Board has resolved that no Drones may be operated on any Ingwelala property by any Members, Authorised Users, Guests, Contractors, Suppliers or Visitors. The use of Drones for security purposes may be considered in the future if deemed appropriate.

Ingwelala Gate Entry Form

It is extremely important when visiting Ingwelala that every person accurately and fully completes and signs the Ingwelala Gate Entry Form. This Form includes an Indemnity that must be signed. Non-compliance is a breach of the Management Regulations and the Staff have been requested to monitor this process closely.

Proposed new Services to be offered to Members

The Management Team have proposed introducing the following new services to be offered to Members from 1 July 2015 and any comments that you may have on this will be greatly appreciated, which should be sent directly to John Llewellyn.

| New Service | Proposed Fee |
|--|------------------|
| Tree trimming above thatch roofs | R250 per service |
| Cleaning Solar Panels | R100 per service |
| Check Solar battery water (12 checks) | R1,000 per annum |
| Solar battery water top-up | R23 per litre |
| Solar system installations | Price on request |
| Hire of Solar parts (temporary) | Price on request |
| Solar fault finding | Price on request |
| Hire of Vehicles (subject to availability) | |
| <ul style="list-style-type: none"> • Double Cab bakkie (town trips) • Gameviewer | Price on request |

Thank You

In conclusion, on behalf of the Board, I would like to once again thank John and Natalie Llewellyn and their Management Team and all of you for your continued support of Ingwelala.

Sincerely

A handwritten signature in black ink, appearing to read 'Kevin Alborough', written in a cursive style.

Kevin Alborough
Chairman