



HERMANUSDOORNS SHAREBLOCK LTD

Reg 91/06901/06

c/o 33 Western Boulevard, City West, Johannesburg.
Tel: (011) 630-3002 Fax: (011) 630-3235

23rd July 2012

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of the shareholders of Hermanusdoorns Shareblock Limited ("The Company") will be held at the entertainment area, near the swimming pool area of the Farm, Hermanusdoorns on 11th August 2012 at 11h00, for the purpose of dealing with the business and considering and, if deemed fit, with or without modification, the resolutions set out below:

- 1) Welcome
- 2) Attendance Register
- 3) Notice convening meeting and quorum
- 4) Apologies and proxies
- 5) Presentation of Financial Statements.
- 6) Ordinary Business
 - a) **Ordinary Resolution 1**
Resolved as Ordinary Resolution 1 to approve the minutes of the previous Annual General Meeting held on 3rd September 2011.
 - b) **Ordinary Resolution 2**
Resolved as Ordinary Resolution 2 to receive and adopt the Company's annual financial statements for the year ended 29 February 2012 together with the reports of the directors and auditors.
 - c) **Ordinary Resolution 3**
Resolved as Ordinary Resolution 3 to re-appoint Russell James and Company Incorporated (Incorporating Core Chartered Accountants (SA)) as auditors to the Company until the conclusion of the next Annual General Meeting.

d) Ordinary Resolution

i) Preamble to Ordinary Resolution 4

As a result of the changes made to the Company's act, it is required that a new Memorandum of Incorporation (MOI) be adopted by the company. The MOI proposed for adoption is the existing Articles of Association of the Company inclusive of all Special Resolutions that have been carried by Special resolutions.

ii) Preamble to Ordinary Resolution 4

Resolved as Ordinary Resolution 4 that the Memorandum and Articles be converted the Memorandum of Incorporation in terms of Section 16 subsection (5) (b) (i) of the Companies Act No. 71 of 2008. (Complete MOI is attached)

7) Special Business

To consider, and if deemed fit, to pass with or without modification the following resolution, which is proposed as a special resolution:

Special Resolution 1

i. Preamble to Special Resolution 1

In a previous AGM (2006) an ordinary resolution was passed prohibiting shares to be held in a syndicate. At the request of shareholders at the AGM of 2010, the Board was tasked to re-evaluate this resolution and if necessary propose a suitable solution that would allow the transfer of shares to more than one individual. This was of specific relevance to existing shareholders that wished to bequeath their share to their children in the event of death. This is also of relevance to existing shares that are not currently held by Natural Persons. As there was no resolution to this proposal at the AGM in 2011, the Directors tasked to revisit this for the 2012 AGM and table a further resolution for consideration.

The principles adopted in drafting this resolution were:

- To facilitate the easy transfer of shares for a shareholder to specified beneficiaries in the case of the shareholders death
- To allow the formation of syndicates - multiple ownership or ownership through a privately held company
- To allow ownership in the form of a trust to facilitate estate planning.
- To protect the farm from potential "over population" by placing restrictions and conditions on shares held by a syndicate
- To ensure that Hermanusdoorns Shareblock receives adequate funding through levies and other means to support syndicate ownership.

The above has been achieved in the following proposed resolution by:

- Allowing existing syndicates to continue unchanged provided the existing structure is maintained
- Introduction of a “Conversion Fee” to be levied if existing shareholders want to convert to a syndicate or if existing syndicates wish to change the syndicate structure
- Introduction of “Specific Levies” for all new syndicated ownership

ii. Special Resolution 1

Resolved as Special Resolution 1 that the following clause be inserted into the Articles of association

TRANSFER OF SHARES TO MORE THAN ONE INDIVIDUAL (SYNDICATES)

1 Existing Syndicates

- (a) Existing Syndicates will remain unchanged and be allowed to continue as is unless there is a change to the syndicate structure
- (b) Existing levy structures will continue to apply as follows (Table A)
- (c) The exact make up of the syndicate must be proved each year in February to determine the appropriate levy. This will apply to all shares registered in legal structures other than that of a Natural Person

Table A : Existing Levy Structure			
		Levy %	2012/13 Actual Levy
Non Resident		100%	17 350.00
	Individual	100%	17 350.00
	Trust	100%	17 350.00
	Company	100%	17 350.00
Syndicate - Non- Resident			
	1 Member	100%	17 350.00
	2 Members	133%	23 133.33
	3 Members	167%	28 916.67
	4 Members	200%	34 700.00
Resident		180%	31 230.00

2 Inheritance

In the case of the death of a shareholder:

- The share may be split by the number of beneficiaries
- The total levy will be determined by the number of beneficiaries as per the table below (Table B) but levied in equal parts to each of the beneficiaries
- No Conversion Fee will be applicable
- Part shares must be held in the individual beneficiaries' personal name
- The combined beneficiaries will only be entitled to one vote at all General meetings of shareholders
- The beneficiaries must nominate a single representative to represent the interests of all beneficiaries

Table B : Inheritance (Existing Shareholders Only)					
Purchase Price		R 100 000		Note: Based on 2012/13 Levy Structure	
No of Beneficiaries	Conversion Fee	Levy % of Non Res	Levy Per Beneficiary	Family Levy	Individual Member Levy
1	R 0	100.0%	100.0%	R 17 350.00	R 17 350.00
2	R 0	115.0%	57.5%	R 19 952.50	R 9 976.25
3	R 0	130.0%	43.3%	R 22 555.00	R 7 518.33
4	R 0	145.0%	36.3%	R 25 157.50	R 6 289.38
5	R 0	160.0%	32.0%	R 27 760.00	R 5 552.00
6	R 0	175.0%	29.2%	R 30 362.50	R 5 060.42
7	R 0	190.0%	27.1%	R 32 965.00	R 4 709.29
8	R 0	205.0%	25.6%	R 35 567.50	R 4 445.94
9	R 0	220.0%	24.4%	R 38 170.00	R 4 241.11
10	R 0	235.0%	23.5%	R 40 772.50	R 4 077.25

3 Family Trusts

Shares may be sold/transferred to a Family trust under the following conditions:

- The Trust beneficiaries are blood relatives in that the Trust was set up as part of an Estate planning process
- A Conversion fee is payable and is determined by the number of beneficiaries in the Trust (see Table C)
- The total levy will be determined by the number of beneficiaries as per the table below (Table C) and levied directly to the Trust

- An Audited certification of the Trustee and Beneficiary details must be lodged with Hermanusdoorns Shareblock in February of each year

Table C : Family Trust Levy Structure						
Purchase Price		R 100 000		Note: Based on 2012/13 Levy Structure		
No of Beneficiaries	Conversion Fee %	Conversion Fee	Levy % of Non Res	Levy Per Beneficiary	Trust Levy	Individual Member Levy
1	0.5%	R 500	100.0%	100.0%	17 350.00	17 350.00
2	1.0%	R 1 000	110.0%	55.0%	19 085.00	9 542.50
3	1.5%	R 1 500	120.0%	40.0%	20 820.00	6 940.00
4	2.0%	R 2 000	130.0%	32.5%	22 555.00	5 638.75
5	5.0%	R 10 000	166.7%	33.3%	28 916.67	5 783.33
6	6.0%	R 15 000	183.3%	30.6%	31 808.33	5 301.39
7	7.0%	R 21 000	200.0%	28.6%	34 700.00	4 957.14
8	8.0%	R 28 000	216.7%	27.1%	37 591.67	4 698.96
9	9.0%	R 36 000	233.3%	25.9%	40 483.33	4 498.15
10	10.0%	R 45 000	250.0%	25.0%	43 375.00	4 337.50

4 Syndicates (Multiple Owners or Companies)

Shares may be sold/transferred to a syndicate under the following conditions:

- Restricted to a maximum of 4 shareholders or syndicate members
- A Conversion fee is payable and is determined by the number of members of the syndicate or shareholders in the company (see Table D)
- The total levy will be determined by the number of members of the syndicate or shareholders in the company as per the table below (Table D)
- In the case of Company ownership:
 - An Audited certification of the shareholder details must be lodged with Hermanusdoorns Shareblock in February of each year
 - The levy will be levied on the Company
- In the case of Joint ownership, the individual members will be levied in their personal capacity
- Voting rights will remain with the syndicate – one vote only – and the syndicate must nominate a representative to act on the syndicates behalf

Table D : Syndicate /Company Levy Structure						
Purchase Price		R 100 000		Note: Based on 2012/13 Levy Structure		
Members/ Shareholders	Conversion Fee %	Conversion Fee	Levy %of Non Res	Levy Per Member	Syndicate Levy	Individual Member Levy
1	5.0%	R 5 000	100%	100%	R 17 350.00	R 17 350.00
2	10.0%	R 10 000	200%	100%	R 34 700.00	R 17 350.00
3	15.0%	R 15 000	300%	100%	R 52 050.00	R 17 350.00
4	20.0%	R 20 000	400%	100%	R 69 400.00	R 17 350.00

- 5 This Resolution will be applicable from the date of the AGM and will apply only to new share registrations and transfer of existing shares.

The reason for and effect of the special resolution 1 is to change the provisions regarding the treatment of Syndicate owners in respect of both conditions of registration and levy structure whilst protecting the status quo for existing syndicates or shares that are not registered to Natural Persons.

8) Re-election of Directors

As per the amended Articles of Association, no directors retire from office at this point in time.

9) Presentation of Business Plan and general issues

- a) General Business Plan
- b) Fauna and Flora Action Plan

10) To transact such other business as may be transacted at an Annual General Meeting.

11) General

All shareholders are entitled to attend, speak and vote at the meeting and a form of proxy is enclosed for the convenience of any shareholder who is unable to do so.

The proxy form should be completed and sent to/lodged with the Company at:

- Federal-Mogul, 33 Western Boulevard, City West, Johannesburg
- Elma.seymore@federalmogul.com
- Fax: (011) 630-3235

These proxies, as per the Memorandum of Association of the Company are to be received not later than **11h00 on 9th August 2012**, being 48 hours before the time for holding the meeting.

Any member who completes and lodges the form of proxy will nevertheless be entitled to attend, speak and vote in person (to the exclusion of a previously appointed proxy holder) should he afterwards decide to do so.

Each shareholder is entitled to appoint one proxy (who need not be a shareholder) to attend, speak and vote in his stead.

BY ORDER OF THE BOARD

MJ PERRIE
MANAGING DIRECTOR