



DATATEC LIMITED

Incorporated in the Republic of South Africa
(Registration number 1994/005004/06)
JSE and LSE share code: DTC ISIN: ZAE00001745
("Datatec" or "the Company")

MEMORANDUM OF INCORPORATION

Adopted at a General Meeting on Monday, 4 March 2013

COMPANIES ACT, 2008

**MEMORANDUM OF INCORPORATION
OF A PROFIT COMPANY**

(PUBLIC COMPANY)

NAME OF COMPANY:

DATATEC LIMITED

("Company")

REGISTRATION NUMBER:

1994/005004/06

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1. INTRODUCTION

1.1 The Company is a public company in terms of the Act and, accordingly:

1.1.1 the Company is not prohibited from offering its securities to the public; and

1.1.2 the transfer of the Company's securities is unrestricted, save as set out in this Memorandum. **[Section 8(2)(d)] [Item 10.2(a) of Schedule 10 to the Listings Requirements]**

1.2 Subject to 8.1 of this Memorandum, this Memorandum does not contain any restrictive conditions contemplated in section 15(2)(b) of the Act and does not contain any requirement for the amendment of any particular provision of this Memorandum, in addition to the requirements of the Act. **[Sections 15(2)(b) and 15(2)(c)]**

2. INTERPRETATION

In this Memorandum, including the introduction above, and unless the context requires otherwise:

2.1 words importing any one gender shall include the other two genders;

2.2 the singular shall include the plural and vice versa;

2.3 any word which is defined in the Act and is not defined in 2.6, shall bear that statutory meaning in this Memorandum;

2.4 the headings have been inserted for convenience only and shall not be used for or assist or affect their interpretation;

2.5 any references to sections are references to sections of the Act;

2.6 each of the following words and expressions shall have the meaning stated opposite it and cognate expressions shall have a corresponding meaning,

namely:

- | | | |
|-------|-------------------------|--|
| 2.6.1 | “the Act” | the Companies Act, 2008 together with the Companies Regulations, 2011, as amended or substituted from time to time; |
| 2.6.2 | “JSE” | the JSE Limited, registration number 2005/022939/06, or any other successor body licensed as an exchange under the Securities Services Act, 2004, as amended or substituted from time to time; |
| 2.6.3 | “Listings Requirements” | the Listings Requirements of the JSE, as amended or substituted from time to time; |
| 2.6.4 | “this Memorandum” | this Memorandum of Incorporation and its Schedules, which form part of it; and |
| 2.6.5 | “the Republic” | the Republic of South Africa. |

3. GENERAL

3.1 Liability of incorporators, shareholders or directors

This Memorandum does not impose any liability on any person for the liabilities or obligations of the Company solely by reason of such person being an incorporator, shareholder or director of the Company as contemplated by section 19(2) of the Act. **[Section 19(2)]**

3.2 Powers of the Company

This Memorandum does not restrict, limit or qualify the legal powers or capacity of the Company in section 19(1)(b) of the Act. **[Section 19(1)(b)]**

3.3 Memorandum of Incorporation and rules

- 3.3.1 The requirements set out in section 16(1)(c)(i) of the Act regarding

proposals for amendments to this Memorandum apply without amendment and any amendment of this Memorandum, including an amendment to the Memorandum for the change of name of the Company, must be approved by special resolution of the shareholders of the Company who are entitled to exercise voting rights on the resolution unless such amendment is ordered by a court in terms of section 16(1)(a) and 16(4) of the Act. **[Section 16(2)] [Items 10.5(d) and 10.5(d)(vii) of Schedule 10 to the Listings Requirements]**

3.3.2 The board shall not have the power to make, amend or repeal any necessary or incidental rules relating to the governance of the Company in respect of matters that are not addressed in the Act or this Memorandum, in accordance with the provisions of sections 15(3) to 15(5) of the Act. **[Sections 15(3), 15(4), 15(5) and 15(5A)] [Item 10.4 of Schedule 10 to the Listings Requirements]**

3.3.3 If the board, or any individual authorised by the board, alters this Memorandum in any manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document, it must publish a notice of such alteration by publishing the alterations on the Company's website, and must file a notice of alteration in the manner prescribed by the Act.**[Section 17(1)] [Item 10.4 of Schedule 10 to the Listings Requirements]**

3.4 **Financial assistance to related persons**

The authority of the board to authorise the Company to provide direct or indirect financial assistance to any person contemplated in section 45 of the Act applies without limitation, restriction or qualification. **[Section 45(2)]**

3.5 **Solvency and liquidity test**

The solvency and liquidity test provided in section 4 of the Act applies without amendment. **[Section 4(2)(c)]**

4. SECURITIES OF THE COMPANY

4.1 *Pari Passu*

All the securities in each class shall rank *pari passu* in all respects. **[Section 37(1)] [Item 10.5(a) of Schedule 10 to the Listings Requirements]**

4.2 Authorisation for shares

4.2.1 The Company is authorised to issue the shares specified in Schedule 1, provided that, if required by the Act or the Listings Requirements, the Company may only issue: **[Section 36(1)(a)]**

4.2.1.1 unissued shares to shareholders of a particular class of shares, pro rata to the shareholders existing shareholding, unless any such shares were issued for an acquisition of assets; **[Item 10.1 of Schedule 10 to the Listings Requirements]**

4.2.1.2 unissued shares or grant options, to subscribe for cash, other than as envisaged in 4.2.1.1 above, as the directors in their discretion think fit, if approved by the shareholders at a shareholders meeting, subject to the Listings Requirements; **[Items 10.1 and 10.9(a) of Schedule 10 to the Listings Requirements]** and

4.2.1.3 shares that are fully paid up. **[Item 10.2(a) of Schedule 10 to the Listings Requirements]**

4.2.2 For so long as is required by the Listings Requirements any amendment to this Memorandum to:

4.2.2.1 increase or decrease the number of authorised shares of any class of shares;

4.2.2.2 reclassify any shares that have been authorised but not issued;

- 4.2.2.3 classify any unclassified shares that have been authorised but not issued;
- 4.2.2.4 determine the preferences, rights, limitations or other terms of any class of authorised shares or amend any preferences, rights, limitations or other terms so determined; **[Sections 36(2)(b) and 36(3)]**
- 4.2.2.5 create any class of shares; **[Item 10.5(d)(i) of Schedule 10 to the Listings Requirements]**
- 4.2.2.6 convert one class of shares into one or more other classes; **[Item 10.5(d)(iii) of Schedule 10 to the Listings Requirements]** and
- 4.2.2.7 consolidate or sub-divide securities, **[Items 10.5(d)(v) and (vi) of Schedule 10 to the Listings Requirements]**

must be approved by special resolution of ordinary shareholders, save where such an amendment is ordered by a court in terms of section 16(1)(a) and 16(4), subject to the requirements of the Act. **[Items 10.5(d) and 10.9(c) of Schedule 10 to the Listings Requirements] [Sections 36(2)(b) and 36(3)]**

4.3 **Financial assistance for the subscription or purchase of securities or options**

The authority of the board to authorise the Company to provide financial assistance to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or any related or inter-related company, in accordance with the Act applies without limitation, restriction or qualification. **[Section 44(2)]**

4.4 **Capitalisation shares**

This Memorandum does not limit, restrict or qualify the authority of the board, in terms of section 47 of the Act, to:

4.4.1 approve the issue of any authorised shares of the Company as capitalisation shares, on a pro rata basis to the shareholders of one or more classes of shares;

4.4.2 approve the issue of shares of one class as capitalisation shares in respect of shares of another class; or

4.4.3 permit shareholders to elect to receive a cash payment in lieu of a capitalisation share or a scrip dividend (as defined in the Listings Requirements), at a value determined by the board.**[Sections 47(1) and (2)] [Items 10.6 and 10.7 of Schedule 10 to the Listings Requirements]**

4.5 **Company or subsidiary acquiring Company's shares and distributions**

Any acquisition by the Company or a subsidiary company of the Company's shares and any distribution to shareholders will be subject to the provisions of the Act and the Listings Requirements. For so long as required by the Listings Requirements no repayment of capital to shareholders shall be made on the basis that it may be called up again and dividends must be payable to shareholders registered as at the date subsequent to the date of declaration of the dividend. **[Items 10.8, 10.9(b), 10.17(a) and (b) of Schedule 10 to the Listings Requirements]**

4.6 **Debt instruments**

The authority of the board to authorise the Company to issue secured or unsecured debt instruments applies without limitation, restriction or qualification, provided that the board may not grant special privileges such as attending and voting at shareholders meetings of the Company or the appointment of directors in respect of such debt instruments.**[Sections 43(2)(a) and 43(3)] [Item 10.10 of Schedule 10 to the Listings**

Requirements]

4.7 Registration of beneficial interests

The registration of the Company's issued securities in the name of, one person for the beneficial interest of another is allowed without limitation or restriction. **[Section 56(1)]**

4.8 Commission

The Company may pay commission, not exceeding 10% or such other percentage allowed in terms of the Listings Requirements, to any person in consideration of such person subscribing, or agreeing to subscribe, for any shares of the Company or of such person procuring, or agreeing to procure, subscriptions for shares, provided that such commission shall be subject to any limitations in the Act or the Listings Requirements. **[Item 10.14 of Schedule 10 to the Listings Requirements]**

4.9 Authority to sign transfer deeds

All authorities to sign transfer deeds granted by holders of shares for the purpose of transferring shares that may be lodged, produced or exhibited with or to the Company at any of its transfer offices shall, as between the Company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect, and the Company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the Company's transfer offices at which the authority was lodged, produced or exhibited. Even after the giving and lodging of such notices, the Company shall be entitled to give effect to any instruments signed under the authority to sign, and certified by any officer of the Company, as being in order before the giving and lodging of such notice. **[Item 10.2(b) of Schedule 10 to the Listings Requirements]**

4.10 Fully paid up shares not subject to lien

Fully paid shares shall not be subject to any lien in favour of the Company

and shall be freely transferable. **[Item 10.12 of Schedule 10 to the Listings Requirements]**

4.11 **Securities registered in the name of a deceased or insolvent holder**

No securities registered in the name of a deceased or insolvent holder shall be forfeited if the executor fails to register them in his own name or in the name of the heir(s) or legatees when called upon by the directors to do so. **[Item 10.13 of Schedule 10 to the Listings Requirements]**

4.12 **Limitation of voting rights**

The holders of any securities other than ordinary shares and any special shares created for the purposes of black economic empowerment (“special shares”) shall not be entitled to vote on any resolution taken by the Company save as expressly provided for in this Memorandum. For so long as this is required by the Listings Requirements, in instances where shareholders other than ordinary shareholders and holders of special shares are allowed to vote at shareholders meetings or annual general meetings, their votes may not carry any special rights or privileges and they shall be entitled to one vote for each share that they hold, provided their total voting rights at a shareholders meeting or annual general meeting may not exceed 24.99% of the total voting rights of all shareholders at such meeting. **[Items 10.5(c) and 10.5(h) of Schedule 10 to the Listings Requirements]**

5. **SHAREHOLDER RIGHTS AND PROXY FORMS**

5.1 **Information rights of persons holding a beneficial interest in shares**

This Memorandum does not establish any information rights of any person in addition to the information rights provided in sections 26(1) and (2) of the Act. **[Section 26(3)]**

5.2 **Representation by concurrent proxies**

5.2.1 The right of a shareholder to appoint two or more persons concurrently as proxies (“concurrent proxies”) applies without

limitation or restriction; provided that the instrument appointing the concurrent proxies clearly states the order in which the concurrent proxies votes are to take precedence in the event that both or all of the concurrent proxies are present, and vote, at the relevant meeting.

5.2.2 The right of a shareholder, to appoint more than one proxy to exercise voting rights attached to different shares held by that shareholder is not limited or restricted. **[Section 58(3)(a)]**

5.3 **Authority of proxy to delegate**

A proxy is prohibited from delegating that proxy's authority to act on behalf of the shareholder appointing him to another person. **[Section 58(3)(b)]**

5.4 **Requirement to deliver proxy instrument to the Company**

A copy of the instrument appointing a proxy must be delivered to the registered office of the Company, or to any other person specified by the Company, not less than 48 hours (or such lesser period as the directors may determine in relation to a particular meeting) before the time appointed for the holding of that meeting (including an adjourned meeting) at which the person(s) named in the proxy form proposes to vote and if the instrument of proxy is not delivered in this manner, the form of proxy shall not be treated as valid unless the chairman determines otherwise. **[Section 58(3)(c)]**

5.5 **Proxy without direction**

The right of a proxy to exercise, or abstain from exercising, any voting right of the shareholder appointing him without direction, except to the extent that the instrument of proxy provides otherwise, applies without restriction or limitation. **[Section 58(7)]**

5.6 **Record date for exercise of shareholder rights**

A record date for any action or event shall be determined in accordance with the Act and the Listings Requirements. **[Section 59(1)] [Item 10.15 of Schedule 10 to the Listings Requirements]**

6. **SHAREHOLDERS MEETINGS**

6.1 **Convening of shareholders meetings**

Only the board is specified in this Memorandum to call a shareholders meeting. **[Sections 61(1) and 61(3)]**

6.2 **Shareholders right to requisition a meeting**

The percentage of voting rights required for the requisition by shareholders of a shareholders meeting specified in section 61(3) of the Act shall apply. **[Section 61(3)]**

6.3 **Location of shareholders meetings**

The authority of the board to determine the location of any shareholders meeting, which may be held in the Republic, is not limited or restricted. **[Section 61(9)]**

6.4 **Notice of shareholders meetings**

6.4.1 The period of notice of shareholders meetings prescribed by the Act, being 15 business days, applies. **[Sections 61(2) and 62(1)] [Items 10(11)(a) and (b) of Schedule 10 to the Listings Requirements]**

6.4.2 Notice of shareholders meetings shall be delivered to each shareholder entitled to vote at such meeting and who has elected to receive such notice and for so long as required by the Listings Requirements a copy of the annual financial statements must be distributed to shareholders together with the notice of the annual general meeting. **[Items 10.11(e) and 10.19 of Schedule 10 to the**

Listings Requirements]

6.5 Shareholders meetings conducted by electronic communication

Unless authorised by the board for a particular meeting, no provision will be made for any shareholders meeting to be conducted by electronic communication, or provision made for one or more shareholders, or proxies for shareholders, to participate in any shareholder meeting by electronic communication. **[Section 63(2)]**

6.6 Quorum for shareholders meetings

6.6.1 The percentage of voting rights specified in terms of section 64(1):

6.6.1.1 being at least 25% of all of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting apply for a shareholders meeting to begin; and **[Item 10.11(h) of Schedule 10 to the Listings Requirements]**

6.6.1.2 being at least 25% of all the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda apply for the consideration of any matter to be decided at any shareholders meeting.**[Sections 64(1) and 64(2)] [Item 10.11(h) of Schedule 10 to the Listings Requirements]**

6.6.2 For so long as is required by the Act and/or the Listings Requirements, a meeting may not begin or a matter begin to be debated unless at least 3 (three) shareholders are present at the meeting. **[Section 64(3)] [Item 10.11(h) of Schedule 10 to the Listings Requirements]**

6.6.3 This Memorandum specifies 30 minutes (or such longer or shorter period as the chairman of the shareholders meeting may determine), in substitution for the time period specified in sections 64(4) and 64(5), for a quorum to be established before a shareholders meeting

may be adjourned. **[Sections 64(4), 64(5) and 64(6)]**

6.6.4 Unless the chairman of the shareholders meeting determines otherwise, the period provided for in section 64(4) for the adjournment of a shareholders meeting shall apply. **[Sections 64(4) and 64(6)]**

6.7 **Adjournment of shareholders meetings**

The maximum periods for the adjournment of shareholders meetings specified in sections 64(12) of the Act apply.

6.8 **Shareholders resolutions**

6.8.1 There shall be no higher percentage of voting rights required to approve an ordinary resolution than the percentage voting rights specified in the Act, provided that resolutions required to be approved by an increased majority in terms of the Listings Requirements must be approved by such increased majority. **[Sections 65(7) and 65(8)]**

6.8.2 There shall be no different percentage of voting rights required to approve a special resolution than the percentage voting rights of 75% specified in the Act. **[Section 65(9) and 65(10)] [Item 10.11(a) of Schedule 10 to the Listings Requirements]**

6.8.3 A special resolution is only required for matters contemplated in section 65(11) of the Act. **[Section 65(12)]**

6.9 **Shareholders meetings in terms of the Listings Requirements**

Shareholders meetings that are called for the purpose of passing any resolution required in terms of the Listings Requirements may not be voted on in writing as provided for in section 60 of the Act, unless permitted by the Listings Requirements. **[Item 10.11(c) of Schedule 10 to the Listings Requirements]**

6.10 **Notice of shareholders meetings to the JSE**

6.10.1 A copy of all notices of shareholders meetings must be sent to the JSE at the same time as notices are sent to shareholders if required in terms of the Listings Requirements.

6.10.2 All notices of shareholders meetings must also be announced through the official news service of the JSE at the same time as notices are sent to shareholders, or as soon thereafter as is as practicable. **[Item 10.11(f) of Schedule 10 to the Listings Requirements]**

6.11 **Ratification of ultra vires acts**

Any resolution for the ratification of any action by the Company or the directors contemplated by section 20(2) of the Act shall be prohibited if such ratification is of an action which is contrary to the Listings Requirements, unless otherwise agreed with the JSE. **[Item 10.3 of Schedule 10 to the Listings Requirements]**

7. **DIRECTORS AND OFFICERS**

7.1 **Composition of the board of directors**

7.1.1 This Memorandum specifies four (4) directors as the minimum number of directors of the Company, which number is higher than the minimum number of directors required in terms of section 66(2) of the Act, and fifteen (15) directors as the maximum number of directors of the Company. **[Sections 66(2) and (3)] [Item 10.16(a) of Schedule 10 to the Listings Requirements]**

7.1.2 Subject to 7.1.4 and 7.2 and the Listings Requirements, the shareholders shall elect the directors, and shall be entitled to elect one or more alternate directors, in accordance with the provisions of section 68(1) of the Act. **[Sections 68(1)] [Item 10.16(b) of Schedule 10 to the Listings Requirements]**

- 7.1.3 This Memorandum does not provide for the appointment of any person as an *ex officio* director of the Company. **[Section 66(4)(a)(ii)].**
- 7.1.4 Subject to the requirements of the Act, the Chairman of the board or the Chief Executive Officer shall be entitled, subject to the written approval of the majority of the directors, to appoint any person as a director in terms of section 66(4)(a)(i), provided that such appointment must be approved by the shareholders at the next shareholders meeting or annual general meeting. **[Section 66(4)(a)(i)] [Item 10.16(b) and 10.16(c) of Schedule 10 to the Listings Requirements]**
- 7.1.5 Subject to 7.2, this Memorandum does not stipulate any additional qualifications or eligibility requirements than those set out in the Act or the Listings Requirements for a person to become or remain a director or a prescribed officer of the Company; provided that, for as long as the Listings Requirements require it, the board, through its committee delegated responsibility to consider nominations, should recommend eligibility of directors. **[Section 69(6)] [Item 10.16(g) of Schedule 10 to the Listings Requirements]**
- 7.1.6 Subject to the Act and this Memorandum, at every annual general meeting of the Company, one third of the directors for the time being or, if their number is not a multiple of three, then the number nearest to, but not less than one-third or if there are less than three, then all the directors shall retire from office. The directors so to retire at every annual general meeting shall be those who have been longest in office since their last election or appointment. As between directors of equal seniority, the directors so to retire shall, unless they otherwise agree among themselves, be selected by lot; provided that notwithstanding anything to the contrary in this Memorandum: **[Item 10.16(g) of Schedule 10 to the Listings Requirements]**
- 7.1.6.1 if at the date of any annual general meeting any director shall have held office for a period of three years since his last election or appointment (computed from his last election,

appointment or date upon which he was deemed re-elected), he shall retire at such meeting either as one of the directors to retire in terms of this 7.1.6, or in addition to the directors who retire in terms of this 7.1.6;

7.1.6.2 a director who intends to retire voluntarily at the meeting may be taken into account in determining the one third of the directors to retire at such meeting;

7.1.6.3 the identity of the directors to retire at such annual general meeting shall be determined as at the date of the notice convening such meeting; and

7.1.6.4 a director retiring at a meeting shall retain office until the close or adjournment of the meeting. **[Section 68(1)] [Item 10.16(g) of Schedule 10 of the Listings Requirements]**

7.1.7 Retiring directors and other proposed director appointments are eligible for election to the office of director at any general meeting only upon the recommendation of the board through its committee delegated responsibility to consider nominations, taking into account past performance and contribution made. **[Item 10.16(g) of Schedule 10 of the Listings Requirements]**

7.1.8 Without derogating from the provisions of the Act, a director shall cease to be a director:

7.1.8.1 if that director becomes insolvent, or assigns his estate for the benefit of his creditors, or suspends payment or files a petition for the liquidation of that director's affairs, or compounds generally with the director's creditors;

7.1.8.2 if he becomes of unsound mind;

7.1.8.3 one month or, with the permission of the directors earlier, after he has given notice in writing of his intention to resign; and

7.1.8.4 if that director is absent for more than 6 (six) months, without leave of the directors, from meetings of directors held during that period, is not represented at any of the said meetings by an alternative director and the directors resolve that the office be vacated, provided that the directors shall have the power to grant any director leave of absence for an indefinite period. **[Section 69(6)]**

7.2 Vacancies

7.2.1 The board may appoint any person who satisfies the requirements for election as a director to fill any vacancy and serve as a director on a temporary basis until the vacancy is filled by election in accordance with section 68(1) of the Act. **[Section 68(3)]**

7.2.2 If the number of directors falls below the minimum provided for in this Memorandum, 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. If required by the Listings Requirements:

7.2.2.1 the appointment of a director to fill a vacancy or as an addition to the board must be confirmed by shareholders at the next annual general meeting; and

7.2.2.2 after the expiry of the three month period the remaining directors shall be permitted to act for the purpose of filling vacancies or calling shareholders meetings for the purpose of filling the vacancies. **[Item 10.16(d) of Schedule 10 to the Listings Requirements]**

7.2.3 As provided for in the Act any failure by the Company at any time to have the minimum number of directors required by the Act or this Memorandum, does not limit or negate the authority of the board, or invalidate anything done by the board or the Company. **[Item**

10.16(d) of Schedule 10 to the Listings Requirements]

7.3 Authority of the board of directors

The authority of the board to manage and direct the business and affairs of the Company, as contemplated in section 66(1), is not limited, restricted or qualified by this Memorandum. **[Section 66(1)]**

7.4 Directors' meetings

7.4.1 This Memorandum does not restrict the directors from acting otherwise than at a meeting, as contemplated in section 74(1) of the Act, and, for so long as it is required by the Listings Requirements, any resolution passed in terms of this 7.4.1 must be inserted in the minute book of the Company. **[Section 74(1)] [Item 10.16(j) to Schedule 10 of the Listings Requirements]**

7.4.2 The percentage or number of directors upon whose request a meeting of the board must be called in terms of section 73(1) of the Act is not amended by this Memorandum. **[Section 73(1) and 73(2)]**

7.4.3 This Memorandum does not restrict the board from conducting meetings, or directors from participating in meetings, by electronic communication, as contemplated in section 73(3) of the Act. **[Section 73(3)]**

7.4.4 The authority of the board to determine the manner and form of giving notice of its meetings is not limited, restricted or qualified. **[Section 73(4)]**

7.4.5 The authority of the board to proceed with a board meeting in accordance with the requirements of section 73(5)(a) of the Act, despite a failure or defect in giving notice of the meeting applies without limitation, restriction or qualification. **[Section 73(5)(a)]**

7.4.6 The quorum requirement for a directors' meeting to begin, the voting rights at such a meeting, and the requirements for approval of a

resolution at such a meeting, as set out in section 73(5) of the Act, are not varied by this Memorandum. **[Sections 73(5)(b), 73(5)(c), 73(5)(d) and 73(5)(e)]**

7.4.7 In the case of an equality of votes at any meeting of the directors, the chairman shall have a second or casting vote, provided that, for so long as required by the Listings Requirements, where the quorum of directors is two (2), the chairman shall not be permitted to have a casting vote if only two (2) directors are present at meeting of the directors. **[Item 10.16(i) of Schedule 10 of the Listings Requirements]**

7.5 **Chairman**

7.5.1 The directors may elect from their number a chairman and a deputy chairman, or two (2) or more deputy chairmen, and decide the period for which each is to hold office. The directors may also remove any of them from such office at any time. If neither a chairman nor a deputy chairman has been appointed or if at any meeting of the directors, neither the chairman nor a 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.

7.5.2 If at any time there is more than one deputy chairman, the right in the absence of the chairman to preside at a meeting of the directors or of the Company shall be determined as between the deputy chairmen present, if more than one, by seniority in length of appointment or otherwise as resolved by the directors. **[Item 10.16(i) of Schedule 10 to the Listings Requirements]**

7.6 **Directors compensation and financial assistance to directors**

7.6.1 The ability of the Company to pay remuneration to its directors for their service as directors in accordance with section 66(9) of the Act applies without limitation, restriction or qualification. **[Section 66(8)]**

7.6.2 This Memorandum does not limit, restrict or qualify the authority of the board to authorise the Company to provide direct or indirect financial assistance to directors or persons related to directors contemplated in section 45 of the Act. **[Section 45(2)]**

7.7 **Indemnification of directors, officers and employees**

7.7.1 For the purposes of this 7.7, 'director' shall have the meaning ascribed to that term in section 78(1) of the Act.

7.7.2 The ability of the Company to advance expenses to a director to defend any legal proceedings arising from his service to the Company, or to indemnify a director against such expenses if the proceedings are abandoned or exculpate the director or arise in respect of any liability for which the Company may indemnify the director in terms of sections 78(5) and 78(6) of the Act applies without limitation, restriction or qualification. **[Section 78(4)]**

7.7.3 This Memorandum does not limit, restrict or qualify the ability of the Company to indemnify a director in respect of any liability arising out of the director's service to the Company to the fullest extent permitted by the Act. **[Section 78(5)]**

7.7.4 Subject to the provisions of the Act, every director and other officer or employee of the Company ("Indemnified Person") shall be indemnified and held harmless by the Company against, and it shall be the duty of the directors out of the funds of the Company to pay, all costs, losses and expenses, including reasonable travelling and subsistence expenses, which any such Indemnified Person may incur or become liable to pay by reason of any contract entered into, or any act or omission done or omitted to be done by him in the discharge of his duties or in his capacity as such Indemnified Person, unless such an act or omission is attributable to his own negligence, default, breach of duty or breach of trust.

7.7.5 Subject to the provisions of the Act, no Indemnified Person shall be liable for:

- 7.7.5.1 any act or omission of any other Indemnified Person; or
- 7.7.5.2 joining in any receipt or other act; or
- 7.7.5.3 any loss or expense suffered by the Company in consequence of any absence of, or any defect in, any title to any property acquired by order of the directors for or on behalf of the Company; or
- 7.7.5.4 any absence of, or defect in, any security upon which any of the monies of the Company shall be invested; or
- 7.7.5.5 any loss or damage arising from the insolvency or delictual act of any person with whom any monies, shares or assets shall be deposited; or
- 7.7.5.6 any loss or damage occasioned by any error of judgment or oversight on the part of such Indemnified Person; or
- 7.7.5.7 any other loss, damage or misfortune whatever which shall happen in or in relation to the execution of his office or employment,

unless the same be attributable to his own negligence, default, breach of duty or breach of trust.

7.7.6 This Memorandum does not limit, restrict or qualify the ability of the Company to purchase insurance to protect a director against any liability or expenses for which the Company is permitted to indemnify a director in terms of the Act and this Memorandum, or to protect the Company against any contingency including, but not limited to:

- 7.7.6.1 any expenses that the Company is permitted to advance or for which the Company is permitted to indemnify a director in terms of the Act; or

7.7.6.2 any liability for which the Company is permitted to indemnify a director in terms of the Act. **[Section 78(7)]**

7.8 **Committees and delegation**

7.8.1 Without derogating from any of the provisions of the Act, nothing in this Memorandum (including this 7.8) limits, restricts or qualifies the authority of the board to appoint any number of committees, or to delegate to any such committee or any executive director of the Company any of the authority of the board. **[Section 72(1)]**

7.8.2 Except to the extent that any board resolution establishing a committee provides otherwise, the members of the committee:

7.8.2.1 may include persons who are not directors of the Company but any such person must not be ineligible or disqualified to be a director in terms of section 69 of the Act. Any such persons shall not have a vote on any matter to be decided by the committee;

7.8.2.2 may consult with or receive advice from any person;

7.8.2.3 may be remunerated for their services as such; and

7.8.2.4 provided that the committee is duly constituted, have the full authority of the board in respect of any matter referred to it. **[Section 72(2)]**

7.8.3 Without derogating from any of the provisions of the Act, the board may from time to time, where it has established a committee or delegated any authority of the board to an executive director of the Company in terms of 7.8.1 and 7.8.2 above include in any such delegation the power to sub-delegate the powers referred to in 7.8.1 and 7.8.2 above to such person or persons as the committee or the executive director thinks fit, subject to such terms and conditions as the committee or the executive director thinks fit, and may from time to time revoke, withdraw, alter or vary all or any such powers.

7.9 **Director may be employed in the Company or subsidiary**

A director may be employed in any other capacity in the Company or as a director or employee of a subsidiary of the Company and, in such event, his appointment and remuneration in respect of such other office must be determined by a disinterested quorum of directors. **[Item 10.16(e) of Schedule 10 to the Listings Requirements]**

7.10 **Directors' travelling and other expenses**

Directors may be paid all their travelling and other expenses, properly and necessarily incurred by them in and about the business of the Company, and in attending meetings of the directors or of committees of the directors; and, if any director is required to perform extra services, to reside abroad or be specifically occupied about the Company's business, he may be entitled to such remuneration as is determined by a disinterested quorum of directors, which may be either in addition to or in substitution for any other remuneration payable, subject to the provisions of the Act. **[Item 10.16(f) of Schedule 10 to the Listings Requirements]**

7.11 **Life directorships**

For so long as required by the Listings Requirements, life directorships and directorships for an indefinite period are not permissible. **[Item 10.16(k) of Schedule 10 to the Listings Requirements]**

8. **GENERAL PROVISIONS**

8.1 **Amendment of classes of shares, preferences, rights, limitations or other terms**

If any amendment relates to the variation of any preferences, rights, limitations and other terms attaching to any other class of shares already in issue, that amendment must not be implemented without a special resolution taken by the holders of shares in that class at a separate meeting. In such instances, the holders of such shares may be allowed to vote at the meeting

of ordinary shareholders subject to the Listings Requirements. No resolution of shareholders may be proposed or passed, unless a special resolution of the holders of the shares in that class has approved the amendment. **[Item 10.5(e) of Schedule 10 to the Listings Requirements]**

Preferences, rights, limitations or other terms of any class of shares of the Company must not be varied, and no resolution may be proposed to shareholders for rights to include such variation, in response to any objectively ascertainable external facts as provided for in section 37(6) and (7) of the Act. **[Item 10.5(g) of Schedule 10 to the Listings Requirements]**

8.2 **Monies due to shareholders**

For so long as is required by the Listings Requirements, the Company must hold all monies due to shareholders for the benefit of shareholders, provided that the board may cause any such monies unclaimed for a period of three years (from the due date for payment) to be forfeited for the benefit of the Company. **[Item 10.17(c) of Schedule 10 to the Listings Requirements]**

SCHEDULE 1 – AUTHORISED SHARES

A. Classified shares

- 400 000 000 ordinary par value shares of R0.01 (one cent) each, each of which shall entitle the holder, without derogating from the provisions of the Act or this Memorandum, subject to any preferences, rights or other share terms of any class of shares in the Company ranking prior to the ordinary shares:
 - (i) to one vote for every ordinary share at every general meeting or annual general meeting, in person or by proxy;
 - (ii) to receive any distribution in accordance with the holder's voting power;
 - (iii) on a liquidation of the Company, to receive the net assets of the Company in accordance with the holder's voting power;
 - (iv) to all of the preferences, rights or other terms set out in the Act or this Memorandum; and
 - (v) to any other rights at common law insofar as such rights are not inconsistent with this Memorandum or the Act.

B. Unclassified shares

None.