



NOTICE TO SHAREHOLDERS 2012

Contents

Notice of annual general meeting	1
Annexure A	10
Annexure B	12
Surrender of documents of title	14
Form of surrender	15
Form of proxy	17

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 30 June 2012

KAP INTERNATIONAL HOLDINGS LIMITED

(Registration number 1978/000181/06) ("KAP"), JSE share code: KAP, ISIN: ZAE000059564



Notice is hereby given that the 34th annual general meeting of shareholders of KAP International Holdings Limited (registration number 1978/000181/06) ("KAP or the company or the group") will be held at 10:00 in the auditorium at 28 Sixth Street, Wynberg, Sandton on 14 November 2012, for the purpose of dealing with the following business and to consider the following and, if deemed fit, of passing, with or without modification, the resolutions set out below:

Purpose

The purpose of the meeting is to transact the business set out in the agenda below. For the avoidance of doubt, the memorandum of association of the company and the articles of association of the company are now referred to as the memorandum of incorporation, in accordance with the provisions of the Companies Act 71 of 2008, as amended ("the Companies Act").

Voting

In order for the proposed ordinary resolutions to be adopted, with the exception of ordinary resolutions numbers 7, 8, and 11, the support of a majority of votes cast by shareholders present or represented by proxy at the meeting is required. In respect of the special resolutions set out below, and in respect of ordinary resolutions numbers 7, 8 and 11, the support of at least 75% of the total number of votes which the shareholders present or represented by proxy are entitled to cast is required.

AGENDA

Ordinary business

1. Ordinary Resolution Number 1

To adopt and approve the audited annual financial statements of the company for the year ended 30 June 2012, together with the reports of the directors and the auditors thereon and the audit and risk committee report.

2. Ordinary Resolution Number 2

To reappoint, on the recommendation of the audit and risk committee, Deloitte & Touche of Cape Town, as the auditors of the company as contemplated under section 90 of the Companies Act, with Mr Michael van Wyk, a registered auditor and member of the firm as the individual who will undertake the audit.

3. Special Resolution Number 1

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

"Resolved that the remuneration as set out in the table below, be paid to directors in respect of their services as directors of the company during the period commencing from the date of this special resolution until the date of the next annual general meeting:

	2013 R'000	2012 R'000
Board fees		
3.1 Independent non-executive chairman (all-inclusive fees)	600	180
3.2 Member	240	88
Committee fees		
Audit and risk		
3.3 Chairman	200	120
3.4 Member	100	33
Human resources and remuneration		
3.5 Chairman	110	100
3.6 Member	50	30."

These proposed increases should be viewed against the substantial increases in the size of the group and in the scope of the directors' and committee members' responsibilities pursuant to the acquisition of the Steinhoff Industrial assets. The fees have been benchmarked against fees payable to non-executive directors and committee members of comparable companies.

Each of the special resolutions set out at 3.1 to 3.6 above will be considered separately.

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 30 June 2012 (*continued*)

Reason for and effect of the special resolution

The reason for this special resolution is that shareholders are required in terms of section 66(9) of the Companies Act to preapprove the payment of remuneration to directors for their services as directors, by way of passing a special resolution. The effect of this special resolution, if approved, will be that the company will be authorised, until the next annual general meeting, to pay the aforementioned remuneration to its non-executive directors for the services they render to the company as directors, without requiring further shareholder approval. No fees are payable to the executive directors in respect of their services as directors.

4. Ordinary Resolution Number 3

To individually elect directors in place of the following directors who retire by rotation in accordance with the provisions of the memorandum of incorporation and who, being eligible, offer themselves for re-election.

4.1 M J Jooste

4.2 S H Nomvete

Summaries of the *curriculum vitae* of each of these directors are shown on pages 7 and 8 of the integrated report circulated with this notice. The proposed re-election of each of the above directors will be considered separately.

The reason for the ordinary resolutions set out in paragraphs 4.1 to 4.2 (inclusive) is that the memorandum of incorporation of the company and, to the extent applicable, the Companies Act, require that one-third of the non-executive directors of the company, excluding those directors whose appointments require ratification as detailed at ordinary resolution number 4 below, rotate at each annual general meeting and, if eligible, offer themselves for re-election as directors.

5. Ordinary Resolution Number 4

To individually ratify the appointment of the following directors:

5.1 J de V du Toit: appointed as independent non-executive chairman on 24 May 2012

5.2 K J Grové: appointed as chief executive officer on 25 April 2012

5.3 A B la Grange: appointed as a non-executive director on 25 April 2012

5.4 S H Müller: appointed as an independent non-executive director on 25 June 2012

5.5 P K Quarmby: appointed as an independent non-executive director on 25 June 2012

5.6 C J H van Niekerk: appointed as a non-executive director on 25 April 2012

Summaries of the *curriculum vitae* of each of these directors are shown on pages 6 to 9 of the integrated report circulated with this notice. The proposed ratifications of each of the above appointments will be considered separately.

The reason for the ordinary resolutions set out in paragraphs 5.1 to 5.6 inclusive, is that the memorandum of incorporation of the company and, to the extent applicable, the Companies Act, require that the appointment of new directors be confirmed at the next annual general meeting following their appointment.

6. Ordinary Resolution Number 5

For the avoidance of doubt, all references to the audit and risk committee of the company are references to the audit committee as contemplated in the Companies Act.

Subject, where applicable, to the ratification of their appointments as directors as proposed at ordinary resolution number 4 above, to individually elect or re-elect, as the case may be, the following independent non-executive directors as members of the audit and risk committee until the next annual general meeting. The proposed members of the committee are:

6.1 S H Müller

6.2 S H Nomvete

6.3 P K Quarmby

Summaries of the *curriculum vitae* of each of these directors are shown on pages 6 to 9 of the integrated report circulated with this notice. The appointment of the individual members of the audit committee will be conducted by way of a separate vote for each appointment.

The reason for the ordinary resolutions set out in 6.1 to 6.3 (inclusive) is that the company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or reappointed, as the case may be, at each annual general meeting of the company.

The board is satisfied that the above persons are suitably skilled and experienced independent non-executive directors and that they collectively possess the appropriate experience and qualifications to fulfil their duties as contemplated in regulation 42 of the Companies Regulations 2011.

Special business

7. Ordinary Resolution Number 6

To consider and, if deemed fit, to pass, with or without modification, the following resolution as an ordinary resolution:

“Resolved that 10% (ten per cent) of the authorised but unissued ordinary shares of no par value in the capital of the company, be and they are hereby placed under the control of the directors until the next annual general meeting and that the directors be authorised to allot and issue such shares to such person(s) and on such terms and conditions as the directors may in their sole discretion determine, subject to the provisions of the Companies Act, the company’s memorandum of incorporation and the Listings Requirements (‘Listings Requirements’) of the JSE Limited (the ‘JSE’).”

The reason for ordinary resolution number 6 is that the board requires authority from its shareholders in order to issue shares in the company. This general authority, once granted, allows the board from time to time, when deemed appropriate, to issue such ordinary shares as may be required for purposes inter alia of capital-raising exercises or to maintain a healthy capital adequacy ratio.

8. Ordinary Resolution Number 7

To consider and, if deemed fit, to pass with or without modification, the following resolution as an ordinary resolution:

“Resolved that, subject to compliance with the Listings Requirements and with the Companies Act, a new share rights performance scheme, namely the KAP Performance Share Rights Scheme, as detailed in Annexure A attached to this notice, be adopted.”

Reason for and effect of this resolution

The reason for ordinary resolution number 7 is that, to ensure consistency with group share-based incentives, the company wishes to introduce a new share-based rights scheme, similar to the share-based rights scheme adopted by Steinhoff (“the Scheme”). The number of shares to be reserved for the Scheme, when taken together with the shares reserved for the existing KAP International Holdings Limited Share Performance Plan, amounts to 366 274 533 shares, equating to 10% (ten per cent) of the current issued and reserved share capital. Furthermore, the company will ensure that the total rights outstanding at any time will not exceed 366 274 533 shares, equating to 10% (ten per cent) of the current unissued and reserved share capital of the company.

The KAP human resources and remuneration committee (“Remcom”) believes that the Scheme will continue to satisfy shareholders that:

- executives are incentivised on a basis which aligns their interests with shareholders’ requirements;
- long-term sustainable performance is being driven; and
- key executives are being retained.

Remcom undertakes to disclose full details of the performance hurdles determined by Remcom in respect of grants made under the Scheme, in the remuneration report and/or in the related disclosures made in the notes to the financial statements of the company for the financial year(s) during which allocations of share rights are made.

Schedule 14 of the Listings Requirements requires the approval of the Scheme by 75% (seventy-five per cent) of the ordinary shareholders of the company present or represented and entitled to vote at the meeting.

The Scheme document is available for inspection, during normal business hours, at the company’s registered office.

9. Ordinary Resolution Number 8

To consider and, if deemed fit, to pass with or without modification, the following resolution as an ordinary resolution:

“Resolved that, subject to ordinary resolution number 6 being approved, the directors of the company be and they are hereby authorised by way of a general authority to issue all or any of the authorised but unissued ordinary shares of no par value in the capital of the company placed under their control for cash, as and when they in their discretion deem fit, subject to the Companies Act, the memorandum of incorporation of the company and the Listings Requirements, provided that:

- this authority is valid until the company’s next annual general meeting or for a period of 15 (fifteen) months from the passing of this ordinary resolution (whichever period is the shorter);
- any such issue will only be of securities of a class already in issue, or limited to such securities or rights that are convertible into a class already in issue;
- the general issues of shares for cash in the aggregate in any one financial year may not exceed 15% (fifteen per cent) of the company’s issued share capital (number of securities) of that class. The securities of a particular class will be aggregated with the securities that are compulsorily convertible into securities of that class, and, in the case of the issue of compulsorily convertible

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 30 June 2012 *(continued)*

securities, aggregated with the securities of that class into which they are compulsorily convertible. The number of securities of a class which may be issued shall be based on the number of securities of that class in issue at the date of such application added to those that may be issued in future (arising from the conversion of options/convertible securities if applicable) less any securities of the class issued during the current financial year, provided that any securities of that class to be issued pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were securities in issue at the date of application;

- in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% (ten per cent) of the weighted average traded price of such shares, as determined over the 30 business days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. (The JSE will be consulted for a ruling if the applicant's securities have not traded in such 30 (thirty) business day period); and that
- any such issue will only be made to public shareholders, as defined by the Listings Requirements and not to related parties."

For listed entities wishing to issue share for cash, it is necessary for the board not only to obtain the prior authority of the shareholders as contemplated at ordinary resolution number 6 above, but to also obtain the prior approval of shareholders in accordance with the Listings Requirements.

The reason for ordinary resolution number 8 is accordingly to obtain a general authority from shareholders to issue shares for cash, subject to compliance with the Listings Requirements.

At least 75% (seventy-five per cent) of the shareholders present in person or by proxy and entitled to vote at the annual general meeting must cast their vote in favour of this ordinary resolution.

10. Special Resolution Number 2

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

"Resolved that the acquisition by the company of shares issued by it, on such terms and conditions as may be determined by the directors and the acquisition by any subsidiary of the company of shares issued by the company, on such terms and conditions as may be determined by the directors of any such subsidiary, be approved as a general approval in terms of section 48 of the Companies Act, subject to the relevant provisions of the Companies Act and to the Listings Requirements in force at the time of the acquisition and provided that:

- such acquisition is permitted in terms of the Companies Act and the company's memorandum of incorporation;
- the general authority shall be valid until the next annual general meeting of the company or for a period of 15 (fifteen) months from the passing of this special resolution (whichever period is shorter);
- this authority be limited to a maximum of 20% (twenty per cent) of the issued share capital of that class in one financial year; provided that the acquisition of shares by a subsidiary of the company may not, in any one financial year, exceed 10% (ten per cent) in the aggregate of the number of issued shares in the company;
- repurchases shall not be made at a price more than 10% (ten per cent) above the weighted average of the market value of the securities traded for the 5 (five) business days immediately preceding the date on which the transaction is effected;
- the repurchase of securities being implemented through the order book operated by the JSE trading system (open market) and without any prior understanding or arrangement with any counterparty;
- the company will, at any point in time, appoint only one agent to effect the repurchase(s) on the company's behalf;
- after such repurchase(s), the minimum spread requirements as set out in the Listings Requirements are maintained;
- the company may not effect a repurchase during any prohibited period as defined in terms of the Listings Requirements unless implemented in accordance with a repurchase programme which commenced prior to the prohibited period;
- when 3% (three per cent) of the initial number, i.e. the number of shares in issue at the time that the general authority from shareholders is granted, is cumulatively repurchased and for each 3% (three per cent) in aggregate of the initial number acquired thereafter, an announcement shall be made in accordance with the Listings Requirements; and
- the directors shall have passed a resolution authorising any repurchase and confirming that the company has passed the solvency and liquidity test and that, since the test was done, there have been no material changes to the financial position of the group; and a certificate by the company's sponsor in terms of paragraph 2.12 of the Listings Requirements, confirming the statement by the directors regarding working capital referred to hereunder in this notice convening the meeting, shall be issued before commencement of any repurchase."

Reason for and effect of this special resolution

The reason for this special resolution is to obtain shareholder approval for the directors to repurchase shares of the company and for any subsidiary of the company to acquire shares issued by the company subject to the Companies Act and the Listings Requirements. The board does not intend to use such authority unless prevailing circumstances, including the tax dispensation and market conditions, warrant such a step. All required certificates and relevant statements shall be issued should the authority, if granted, be utilised. The effect of the passing and registration of this resolution will be that the directors will have the authority to implement a general repurchase of shares in accordance with the provisions of the Companies Act and the Listings Requirements.

A repurchase of shares is not contemplated at the date of this notice. However, the board believes it to be in the interest of the company that shareholders grant a general authority to afford the company the flexibility to repurchase shares as and when an appropriate opportunity, which is in the best interest of the company, arises.

Information and statement relating to this special resolution

In accordance with paragraph 11.26 of the Listings Requirements, the attention of shareholders is drawn to:

- The importance of this resolution. Should shareholders be in any doubt as to what action to take, they are advised to consult appropriate independent advisers.
- The following information, details of which are reflected in the integrated report and management booklet circulated to shareholders with this notice:
 - directors and management of the company and its subsidiaries (pages 6 to 9 of the accompanying integrated report and management booklet);
 - major shareholders of the company (page 149);
 - directors' interests in the company's securities (page 149); and
 - the share capital of the company (page 129).

Directors' statement

The directors:

- whose names are given in the integrated report circulated with this notice, collectively and individually accept full responsibility for the information given in this notice and certify that, to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made;
- confirm that there have been no material changes in the financial or trading position of the group since the publication of the financial results for the year ended 30 June 2012 and the date of this notice;

are not aware of any information on any legal or arbitration proceedings that are pending or threatened and that in the previous 12 (twelve) months may have, or have had, a material effect on the group's financial position; and
- are of the opinion that, after considering the effect of a maximum repurchase of shares, for a period of 12 (twelve) months after the date of this notice of annual general meeting:
 - the company shall meet the solvency and liquidity test as contemplated by section 46(g) of the Companies Act;
 - the company and the group will be able, in the ordinary course of business, to pay its debts;
 - the assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards, will be in excess of the consolidated liabilities of the company and the group;
 - the company and the group will have adequate capital (share capital and reserves); and
 - the working capital of the company and the group will be adequate for ordinary business purposes.

11. Ordinary Resolution Number 9

To consider and, if deemed fit, to pass with or without modification the following resolution as an ordinary resolution:

"Resolved that the directors of the company be and they are hereby authorised, by way of a general authority, to distribute to shareholders of the company any share capital and reserves of the company or make any distribution to shareholders of the company of any nature subject to the provisions of the Companies Act, the company's memorandum of incorporation and the Listings Requirements, with or without the right to receive shares as a capitalisation award, provided that:

- the general authority shall be valid until the next annual general meeting of the company or for a period of 15 (fifteen) months from the passing of this ordinary resolution (whichever period is shorter);

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 30 June 2012 (*continued*)

- any general payment by the company shall not exceed 20% (twenty per cent) of the company's issued share capital and reserves, excluding minority interest, and any revaluation of assets and intangible assets that are not supported by an independent professional acceptable to the JSE;
- the directors be authorised to afford shareholders the right to receive capitalisation awards or elect instead to receive a cash distribution contemplated in respect of this resolution;
- any general payment and/or capitalisation award is made pro rata to all shareholders;
- a resolution of the board of directors has been passed authorising the distribution and confirming that the company has passed the solvency and liquidity test as required by the Companies Act and that, since the test was done, there have been no material changes to the financial position of the company and the company and its subsidiaries ("the group").
- a certificate by the company's sponsor in terms of paragraph 2.12 of the Listings Requirements, confirming the statement by the directors regarding working capital referred to hereunder in this notice convening the meeting, be issued before commencement of a general payment; and
- in the case of a general distribution, an announcement will be published in accordance with the Listings Requirements."

The reason for ordinary resolution number 9 is to grant the directors, to the extent required by its memorandum of incorporation, a general authority to make distributions to shareholders of any share capital, share premium and reserves of the company in terms of section 46 of the Companies Act, on the basis set out in this resolution.

The board does not intend to use such authority unless prevailing circumstances (including the tax dispensation and market conditions) warrant such a step.

The directors of the company are of the opinion that, were the company to enter into a transaction to distribute any share capital and/or reserves totalling 20% (twenty per cent) of the current issued share capital and reserves of the company:

- the group will be able in the ordinary course of business to pay its debts for a period of 12 (twelve) months after the date of this notice of annual general meeting;
- the assets of the company and the group, will be in excess of the liabilities of the company and the group for a period of 12 (twelve) months after the date of this notice of annual general meeting;
- the share capital and reserves of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of this notice of annual general meeting; and
- the working capital of the company and the group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting."

Shareholders are referred to the "information and statement" under special resolution number 2 above, which information applies *mutatis mutandis* to this resolution.

12. Special Resolution Number 3

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

"Resolved that, to the extent required, shareholders approve the following:

- the provision by the company of direct or indirect financial assistance to any related or interrelated company (as defined in the Companies Act) by way of a general authority in favour of that category of recipients as contemplated in section 45(3)(a)(ii) of the Companies Act;
- the provision by the company of direct or indirect financial assistance for purposes of the company and/or its subsidiary or related or interrelated companies entering into funding and facility agreements and debt capital and domestic medium-term note programmes with financing, banking and investment institutions in respect of facilities and funding afforded to the group and/or any one or more of its subsidiary, related or interrelated companies; and
- any subordination by the company of its claims held on shareholder's and/or intercompany (related company) loan accounts against any subsidiary and/or related or interrelated company."

Reason for and effect of the special resolution

In terms of section 45 of the Companies Act, a company is required to obtain shareholder approval, by way of passing a special resolution, for the provision by it of direct or indirect financial assistance to related or interrelated companies.

In order for the company to achieve its strategic goals, it is necessary that the company be authorised to provide direct and indirect financial assistance to its subsidiary, related and/or interrelated companies.

The board is satisfied, or will satisfy itself, that:

- immediately after providing any direct or indirect financial assistance approved in terms of this resolution, the company will satisfy the solvency and liquidity test in accordance with section 4 of the Companies Act and, to the extent required, will conduct such further tests; and
- the terms under which existing financial assistance has been provided prior to the effective date of the Companies Act, and the direct or indirect financial assistance to be given in respect of any subsidiary, related or interrelated company, are or will be fair and reasonable to the company.

The reason for this special resolution is that, from time to time, the company provides direct or indirect financial assistance to subsidiaries and related and/or interrelated companies within the group. The effect of this special resolution will be to authorise the company to provide direct or indirect financial assistance to subsidiaries, related and/or interrelated companies within the group.

13. Ordinary Resolution Number 10

To consider and, if deemed fit, to pass with or without modification, the following resolution as an ordinary resolution:

To endorse, by way of a non-binding advisory vote, the remuneration policy of the company as set out on pages 55 to 57 of the integrated report circulated to shareholders with this notice.

The reason for this ordinary resolution number 10 is that the obtaining of shareholders' endorsement of the company's remuneration policy by way of a non-binding advisory vote is a recommendation of the King Code of Corporate Practices and Conduct (King III).

14. Special Resolution Number 4

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

"Resolved that the name of the company be changed to KAP Industrial Holdings Limited with effect from the date set out in the amended registration certificate issued by the Companies and Intellectual Property Commission."

Reason for and effect of this special resolution

The reason and effect of this special resolution is to change the name of the company to a name that is more descriptive of the group's operations following the acquisition of the Steinhoff Industrial assets, as set out in the circular to shareholders dated 17 December 2011.

For a period of not less than one year, KAP Industrial Holdings Limited will reflect the former name "Kap International Holdings Limited" on all documents of title in brackets beneath the new name Kap Industrial Holdings Limited.

Should the change in name of the company be approved at the general meeting, shareholders are required to surrender their existing share certificates to the transfer secretaries in accordance with actions required by shareholders set out on page 14.

The JSE alpha code and short name will remain as KAP, and the ISIN will change to ZAE000171963 from the commencement of trade on Monday, 7 January 2013.

All new share certificates issued subsequent to the name change will bear the new name KAP Industrial Holdings Limited.

15. Special Resolution Number 5

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

"Resolved that the company's existing memorandum of association and articles of association be replaced by the memorandum of incorporation, incorporating the salient provisions as detailed in Annexure B hereto, which will be available for inspection from 15 October 2012 to 14 November 2012, at 28 Sixth Street, Wynberg, Sandton, 2090 or on the company's website: www.kap.co.za.

Shareholders requiring a hard copy can obtain a copy from the company secretariat at the above address or by request to jan.radnay@unitrans.co.za.

The reason for and effect of special resolution number 4 is to replace the memorandum and articles of association of the company with a new memorandum of incorporation, as required by the Companies Act and in accordance with the provisions of the Listings Requirements.

16. Ordinary Resolution Number 11

To consider and, if deemed fit, to pass with or without modification, the following resolution as an ordinary resolution:

"The directors of the company be and they are hereby authorised in terms of the company's memorandum of incorporation, subject to the Listings Requirements and to section 41 of the Companies Act, to create and issue convertible debentures, debenture stock,

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 30 June 2012 *(continued)*

or other convertible instruments in the capital of the company or any of its subsidiaries up to a maximum of 200 000 000 (two hundred million) ordinary shares of no par value in the capital of the company, subject further to a conversion premium of not less than 20% (twenty per cent) above the volume weighted traded price of the shares in the company for the three trading days prior to pricing and to such other conversion and other terms and conditions as the directors may determine in their sole and absolute discretion, which authority shall be valid only until the next annual general meeting of the company or 15 (fifteen) months from the date of the passing of this resolution, whichever is the earlier.”

A 75% (seventy-five per cent) majority of votes cast by those shareholders present or represented and entitled to vote at the annual general meeting will be required in order for this ordinary resolution number 11 to become effective.

The reason for this ordinary resolution number 11 is to grant the directors a general authority to issue convertible instruments subject to compliance with the Listings Regulations and the Companies Act.

17. General

To transact such other business as may be transacted at an annual general meeting.

19. Authority

Any director or secretary of the company, for the time being, be and they are hereby authorised to take all such steps, sign all such documents and to do all acts, matters and things on behalf of the company as may be necessary to give effect to the special and ordinary resolutions passed at this meeting.

By order of the board

Steinhoff Africa Secretarial Services (Proprietary) Limited

Company secretary

15 October 2012

Voting

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the company (the "share register") for purposes of being entitled to receive this notice is Friday, 5 October 2012.
2. The date on which shareholders must be recorded in the share register for purposes of being entitled to attend and vote at this meeting is Friday, 9 November 2012, with the last day to trade being Friday, 2 November 2012.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the annual general meeting and must accordingly bring a copy of their driver's licence, identity document or passport to the annual general meeting. If in any doubt as to whether any document will be accepted as satisfactory proof of identity, meeting participants should contact the transfer secretaries for guidance.
4. Shareholders entitled to attend and vote at the annual general meeting, may appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company. A form of proxy, in which the relevant instructions for its completion are set out, is enclosed for use by a certificated or dematerialised shareholder with "own name registration" who wishes to be represented at the annual general meeting. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the annual general meeting.
5. A form of proxy is attached for those shareholders who wish to be so represented. Duly completed forms of proxy together with the documents conferring the authority to the signatory and under which it is signed (if any) must be forwarded to the company's transfer secretaries, Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg 2001, or Computershare Investor Services (Pty) Limited, PO Box 61051, Marshalltown 2107, so as to arrive not less than 48 hours (excluding Saturdays, Sundays and public holidays) before the time fixed for the meeting.
6. A member, who has dematerialised his/her shares (other than those with "own name registration"), who wishes to attend the annual general meeting must instruct his/her Central Securities Depository Participant ("CSDP") or broker to issue him/her with the necessary written authority to attend the annual general meeting in terms of the custody agreement entered into between the shareholder and his/her CSDP or broker.
7. A member, who has dematerialised his/her shares (other than those with "own name registration") who is unable to attend the annual general meeting and wishes to be represented at the meeting must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.
8. Shareholders present in person, by proxy or by authorised representation shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.

ANNEXURE A

The KAP Performance Share Rights Scheme (“the Scheme”)

Definitions

Company:	shall mean KAP International Holdings Limited registration number 1978/000181/06;
Grant Date:	shall mean the date on which Remcom grants rights over shares in the Company to Participants, in terms of the Scheme;
Participant:	shall mean senior executives of the Company and its subsidiaries who, in the opinion of a quorum of non-executive directors who are members of the Remcom, exercise an influence on the performance of the KAP group, which influence, in the opinion of such quorum, is material;
Remcom:	shall mean the KAP Human Resources and Remuneration Committee; and
Scheme:	shall mean the Company's performance share rights scheme as detailed hereunder.

- 1.1 The Company may authorise and approve the granting of rights and subsequent allotment and issue of shares in the Company to Participants, at R0.20 (twenty cents) per ordinary share of no par value, (“the rights”) in terms of the Scheme, subject to the following:
 - 1.1.1 The rights will be granted to Participants on an annual basis and such rights will vest on the third anniversary of the Grant Date, provided the performance criteria referred to in paragraph 1.1.13 below have been achieved.
 - 1.1.2 The shares required for delivery when rights vest can either be allotted and issued by the Company, or delivered by a subsidiary of the Company, or the Scheme may purchase such shares in the market in order to satisfy obligations in terms of the Scheme. Shares will only be issued or purchased by the Scheme once a Participant or group of Participants to whom they will be allocated, has been formally identified by Remcom.
 - 1.1.3 The maximum number of ordinary shares that may be used for the implementation of the Scheme amounts to 366 274 533 shares, which currently equates to 10% (ten per cent) of the authorised but unissued ordinary shares of no par value in the Company.
 - 1.1.4 Rolling over of shares which have already been issued in terms of the Scheme is prohibited. Therefore, the Company will be required to obtain shareholder approval for a further reservation of shares for the Scheme should the number of shares reserved for the Scheme be fully utilised.
 - 1.1.5 The maximum number of rights that may be held at any one time by any one Participant will be rights over 35 000 000 (thirty-five million) ordinary shares of no par value in the Company.
 - 1.1.6 Except if and as approved by the Remcom and save for the reasons of termination set out below, the rights will lapse and cease to be of any force should any Participant leave the employ of the group, save for:
 - 1.1.6.1 death;
 - 1.1.6.2 retirement (the rights will accrue pro rata in accordance with the period of time between the relevant Grant Dates and the retirement date provided a period of at least one year from the Grant Date has expired); and
 - 1.1.6.3 cessation of employment due to incapacity or disability.
 - 1.1.7 Rights may not be assigned or transferred except to a Participant's heirs and/or successors on the death of a Participant, but may be assigned, on written request of the Participant to the Remcom and with the prior approval of the Remcom, who shall be entitled to exercise their discretion in approving or declining any assignment.
 - 1.1.8 Rights do not confer on Participants any shareholder rights, for example the right to vote, the right to be taken into account for voting at shareholders meetings, or receive dividends, until the rights vest and shares are allotted and issued, whereupon they will rank *pari passu* in all respects with the issued shares of the Company.
 - 1.1.9 In the event that the Company is taken over, delisted or become the subject-matter of a merger which results in the listing of the shares being suspended or terminated (“the corporate action”), provided the relevant performance criteria referred to in paragraph 1.1.13 below have been duly achieved up to the effective date of the corporate action, the expiry of the three-year period applicable to all unvested rights will then automatically coincide with the effective date of such corporate action and the rights will be adjusted, as at the effective date of the corporate action, on a time weighted basis and exchanged for equivalent valued rights in KAP's successor as follows:

- 1.1.9.1 if KAP's successor is a listed company, based on the market value of the shares in both entities as at the date of the corporate action; or
 - 1.1.9.2 should KAP's successor not be a listed company, based on a value as determined and approved by the Remcom with the objective that such adjustments should give the Participant a financial value similar to that which the Participant enjoyed prior to the corporate action, provided that the auditors of the Company, acting as experts, shall confirm in writing that in their opinion such adjustment has been fair and reasonable; or
 - 1.1.9.3 in the event that the Company becomes a subsidiary of any company as a result of a corporate action which does not make provision for the Participants to receive rights in such other company in exchange for the rights held in terms hereof at the time of such corporate action, the Participants shall be entitled to a cash payment which is considered to be fair and reasonable in the circumstances, adjusted on a time weighted basis and calculated in accordance with the provisions of paragraph 1.1.9.2.
- 1.1.10 None of the provisions of the Scheme may be altered without the prior approval of equity securities holders, excluding all the votes attaching to all equity securities owned or controlled by persons who are existing Participants in the Scheme and only the equity securities which have been acquired in terms of the Scheme and may be impacted by the changes will be excluded from the said vote.
- 1.1.11 In the event of the Company undertaking or effecting a sub-division or consolidation of shares, reduction of capital or otherwise changing its capital in any other manner not contemplated in this provision, the number of rights granted to Participants (in respect of which the shares have as yet not been allotted or issued) will be adjusted to ensure a Participant's entitlement to the same proportion of equity capital and/or economic benefit as that to which the Participant was entitled previously, provided that:
- 1.1.11.1 the issue of securities by the Company as consideration for an acquisition, or the issue of securities by the Company for cash will not be regarded as a circumstance requiring adjustment;
 - 1.1.11.2 the capitalisation issue of shares by the Company, will not be regarded as a circumstance requiring adjustment;
 - 1.1.11.3 such adjustments are to be confirmed by the Company's auditors as having been calculated on a fair and reasonable basis and as being in accordance with the provisions of the Scheme, and the JSE is to be provided with such confirmation; and
 - 1.1.11.4 such adjustments are to be reported on in the Company's annual financial statements in the year during which same is made.
- 1.1.12 Any shares reserved as a result of rights granted will revert back to the Scheme if such shares are not issued or reallocated to the Participant/s as a result of, for example, forfeiture or lapsing of rights.
- 1.1.13 The shares will be allotted and issued and/or delivered on the third anniversary of each annual grant, provided that the performance criteria set by the Remcom at or about the time of the Grant Date, have been achieved.
- 1.1.14 In the event of the performance criteria not being satisfied by the third anniversary of the relevant annual grant, all rights attaching to that Particular grant will lapse.
- 1.1.15 Should the rights over any shares lapse, the provisions of clause 1.1.12 will apply and any shares that may be surplus to the Scheme's requirements as a result thereof will be taken back into the Scheme.

ANNEXURE B

Introduction

The following is a summary of the salient provisions of the new memorandum of incorporation ("the new MOI") to be proposed for the adoption by the shareholders at the company's annual general meeting to be held on 14 November 2012.

In terms of the Companies Act No. 71 of 2008, as amended, (the "Companies Act"), a company's pre-existing memorandum of incorporation ("pre-existing MOI") (formerly known as the company's memorandum and articles of association) must be amended by 30 April 2013 to bring it into line with the provisions of the Companies Act, failing which any provision of the pre-existing MOI that is inconsistent with the Companies Act shall be void after that date.

The directors accordingly propose that the new MOI be adopted so as to bring the company's governing documents into line with the provisions of the Companies Act and the JSE Listings Requirements, which have been amended to align them with the Companies Act.

Shareholders are advised that a copy of the new MOI will be available for inspection by any person with a beneficial interest in the securities of the company at the company's registered office at 28 6th Street, Wynberg, Sandton during normal office hours from the date of issue of the notice of annual general meeting up to and including the date of the annual general meeting. A copy of the new MOI will also be available at the annual general meeting.

Definitions

The new MOI has been amended to update legislative provisions in line with the Companies Act and to reflect changes in the terminology used in the Companies Act. By way of example, the term "member" no longer applies to shareholders in a public company and thus the term has been replaced with the term "shareholder" throughout the new MOI, while the term "prescribed officer" is a new provision prescribed in the Companies Act and provision has accordingly been made for it in the relevant clauses of the new MOI.

Constitution of the company

The new MOI makes provision for the company (which was formed under the previous Companies Act) to continue to exist as a public company as if incorporated and registered in terms of the Companies Act and for it to be governed by –

- the unalterable provisions of the Companies Act provided that the new MOI does not impose a higher standard, greater restriction, longer period of time or more onerous requirement on the company;
- the alterable provisions of the Companies Act, subject to the limitations, extensions, variations or substitutions set out in the new MOI; and
- The other provisions of the new MOI.

Issue of shares and variation of rights

The board's powers to increase the number of authorised shares in the company, to reclassify shares that have been authorised or to vary the rights attached to such shares are subject to the approval of a special resolution of the shareholders.

Authority to alter share capital

The board's powers to consolidate, subdivide or amend the rights attaching to the shares in the issued capital of the company are subject to the approval of a special resolution of the shareholders.

Debt instruments

The authority of the board in this regard is limited by the new MOI in that the board may authorise the company to issue secured or unsecured debt instruments, including convertible debt instruments, as set out in section 43(2) of the Companies Act, but no special privileges associated with any such debt instruments as contemplated in section 43(3) may be granted.

Capitalisation shares

In terms of the new MOI, the board is authorised to approve without shareholder approval, but subject to the JSE Listings Requirements:

- The issuing of any authorised shares as capitalisation shares; and/or
- The receipt by shareholders of a cash payment in lieu of a capitalisation share, subject to the board having first considered the solvency and liquidity test required by section 46 of the Companies Act on the assumption that every shareholder would elect to receive cash and being satisfied that the company would meet the requirements of the solvency and liquidity test immediately upon the completion of the distribution.

Financial assistance

In terms of the new MOI the board may authorise the company to provide financial assistance, by way of loan, guarantee, the provision of security or otherwise, for the purpose of or in connection with the subscription for any option or securities or the purchase thereof as contemplated in section 44 of the Companies Act, provided that:

- the company's shareholders have adopted a special resolution within the previous 2 (two) years, authorising the directors to provide such financial assistance; and
- the board is satisfied that immediately after providing the financial assistance, the company will meet the requirements of the solvency and liquidity test and the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

Record dates and shareholders' meetings

The new MOI includes provisions for the determination of record dates for the exercise of shareholders rights, which dates must comply with the requirements of the JSE Listings Requirements.

Further provisions regulate shareholders' meetings and shareholders' interactions with the company, and seek to ensure compliance with the Companies Act in respect of corporate action involving shareholders.

Board committees

The new MOI includes provisions relating to the appointment of the mandatory committees required in terms of the provisions of the Companies Act and the regulations.

Access to the company records and accounting records

The new MOI incorporates the relevant provisions of section 26 of the Companies Act which respectively govern access to company records thereto by shareholders and holders of beneficial interests in the company's shares.

Distributions

The new MOI updates the provisions of the pre-existing MOI with regard to the declaration and/or payment of distributions and makes provision for distributions to be dealt with in accordance with section 46 of the Companies Act and the JSE Listings Requirements.

Notices

The new MOI updates the provisions of the pre-existing MOI for the giving of notice to shareholders. The material changes relate to the notice period for shareholders' meetings, which is reduced from 21 days to 15 days.

Amendment of the new MOI

The new MOI may only be amended by a special resolution of the shareholders except if such amendment is in compliance with a Court order as contemplated in section 16(1) and 16(4) of the Companies Act.

SURRENDER OF DOCUMENTS OF TITLE

(applicable to certificated shareholders only)

Certificated shareholders must complete the form of surrender attached hereto and lodge it, together with the relevant documents of title, with the transfer secretaries. Dematerialised shareholders do not need to do anything with regard to the change of name as this will be automatically updated by their CSDP or broker.

Subject to passing of the special resolution relating to the change of name by the requisite majority of shareholders and the registration thereof by CIPC, share certificates reflecting the new name of the company will be posted on or about Monday, 14 January 2013 by registered mail to certificated shareholders, at their own risk, who have submitted their forms of surrender and existing documents of title by 12:00 on the record date, or within five business days of receipt of the forms of surrender and existing documents of title, whichever is the later. In the event that the special resolution relating to the change of name is not passed by the requisite majority of shareholders or registered by CIPC, then the existing documents of title will be returned by registered mail to certificated shareholders, at their own risk, on or about Monday, 14 January 2013.

Certificated shareholders should be aware that share certificates are no longer accepted as tradable instruments on the JSE. Certificated shareholders are therefore urged to take this opportunity to dematerialise their share certificates as per the requirements of STRATE.

If any existing documents of title have been lost or destroyed and the certificated shareholder provides evidence to this effect to the satisfaction of the directors, then KAP may dispense with the surrender of such documents of title against provision of an acceptable indemnity.

Receipts will not be issued for the surrender of existing documents of title. Lodging agents who require special transaction receipts are requested to prepare such receipts and submit them for stamping together with the documents of title lodged. Additional copies of the form of surrender are available on request from the transfer secretaries.

A new certificate will not be dispatched to a holder before that holder has surrendered the relevant certificate or other documents of title in respect of the shares held by him, provided that if any holder produces evidence to the satisfaction of the company that the certificate in respect of any shares has been lost or destroyed, the company may dispense with the surrender of such certificate against the provision of an indemnity acceptable to the board.

SALIENT DATES AND TIMES RELATING TO THE PROPOSED NAME CHANGE

Salient dates and times	2012
Record date to receive the notice of annual general meeting	Friday, 5 October
Notice of annual general meeting posted to shareholders	Wednesday, 17 October
Last day to trade in order to be eligible to participate and vote at the annual general meeting	Friday, 2 November
Record date in order to participate and vote at the annual general meeting	Friday, 9 November
Last day to lodge forms of proxy for the annual general meeting (by 10:00)	Monday, 12 November
Annual general meeting in respect of the name change (at 10:00)	Wednesday, 14 November
Results of annual general meeting released on SENS	Wednesday, 14 November
Finalisation announcement	Thursday, 13 December
	2013
Last day to trade under old name	Friday, 4 January
Trade under new name KAP Industrial Holdings Limited, JSE code: KAP and ISIN: ZAE000171963 from commencement of trading on JSE	Monday, 7 January
Record date in terms of the change of name	Friday, 11 January
Issue to certificated shareholders of new share certificates, posting of share certificates to those shareholders who have submitted their share certificates and forms of surrender on or before 12:00 on the record date. Share certificates and forms of surrender received after 12:00 on the record date will have their new certificates posted within five days of receipt of surrender and in respect of dematerialised shareholders' CSDP and broker accounts updated	Monday, 14 January

Notes:

1. The above dates and time are South African and are subject to change. Any changes will be notified on SENS.
2. KAP shareholders are referred to page 15 of this notice for information on the action required to be taken by them.
3. Share certificates in the name of KAP International Holdings Limited may not be dematerialised or rematerialised after Friday, 4 January 2013.



**FORM OF SURRENDER
 FOR COMPLETION BY CERTIFICATED SHAREHOLDERS OF KAP ONLY.**

INSTRUCTIONS:

1. A separate form is required for each holder of a certificated share in the company ("shareholder"). Shareholders who have dematerialised their shares must not complete the surrender form and any amendments or changes to their holding of shares will be handled automatically by the Central Securities Depository Participant ("CSDP") or broker through whom their shares were dematerialised.
2. Part A must be completed by all certificated shareholders who return this form.
3. Part B must be completed by all certificated shareholders who are emigrants from and non-residents of the Common Monetary Area (comprising the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland).
4. If this form of surrender is returned with the share certificates or other documents of title, it will be treated as a conditional surrender which is made subject to the name change becoming effective. In the event of the name change not becoming operative for any reason whatsoever, the transfer secretaries will, within five business days of the date upon which it becomes known that the name change will not become operative, return the relevant share certificates to the shareholder concerned, by registered post, at the risk of such shareholder.
5. The new share certificates will not be sent to shareholders unless and until the share certificates or other documents of title in respect of the relevant shares have been surrendered to the transfer secretaries at the address indicated below.
6. In order to comply with FICA requirements, Computershare Investor Services Proprietary Limited will be unable to record any changes of address or payment mandates unless the following documentation is received from the relevant shareholder:
 - a. A certified true copy of the original identification document (in respect of change of address and payment mandate); and
 - b. A certified true copy of an original bank statement (in respect of bank mandate).

Transfer secretaries

By hand

Computershare Investor Services Proprietary Limited
 Ground Floor, 70 Marshall Street,
 Johannesburg, 2001

By post

Computershare Investor Services Proprietary Limited
 (PO Box 61051, Marshalltown, 2107)

PART A – All certificated shareholders must please complete this section (in BLOCK CAPITALS)

Surname _____ Title (Mr/Mrs/Miss/etc) _____

First names (in full) _____

Address to which the new share certificate should be sent (if different from registered address) (See note 6 above)

Postal code _____

I/We hereby surrender the undermentioned share certificates, conditional upon the change of name being implemented:

Name of registered holder (separate form for each holder)	Certificate number (in numerical order)	Number of shares
	Total	

Signature of shareholder:	Stamp and address of agent lodging this form (if any)
Assisted by me (if applicable):	
(State full name and capacity):	
Date:	
Telephone number (Home): ()	
Telephone number (Work): ()	

PART B – To be completed by emigrants from and non-residents of the Common Monetary Area.

Nominated authorised dealer in the case of a shareholder who is an emigrant from or a non-resident of the Common Monetary Area (see note 2 below):

Name and address of authorised dealer _____

Account number _____

Address _____

Postal code _____

Notes

1. No receipts will be issued for share certificates lodged, unless specifically requested. In compliance with the requirements of the JSE Limited ("JSE"), lodging agents are requested to prepare special transaction receipts, if required. Signatories may be called upon for evidence of their authority or capacity to sign this form.
2. Persons whose registered addresses in the share register are outside the Common Monetary Area, or whose shares are restrictively endorsed, should nominate an authorised dealer in Part B of this form.
3. Any alteration to this form of surrender must be signed in full and not initialled.
4. If this form of surrender is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this form for noting (unless it has already been noted by the company or its transfer secretaries).
5. Where the shareholder is a company or a close corporation, unless it has already been registered with the company or its transfer secretaries, a certified copy of the directors' or members' resolution authorising the signing of this form of surrender must be submitted if so requested by the company.
6. Note 5 does not apply in the event of this form bearing a recognised JSE broker's stamp.
7. Where there are joint holders of any shares in the company, only that holder whose name stands first in the register in respect of such shares need sign this form of surrender.

FORM OF PROXY



KAP INTERNATIONAL HOLDINGS LIMITED

(Registration number 1978/000181/06) ("KAP"), JSE share code: KAP, ISIN: ZAE000059564

PROXY

To be completed by certificated shareholders and dematerialised shareholders with own name registration only.

For use at the 34th annual general meeting to be held at 10:00 on Wednesday, 14 November 2012, at 28 Sixth Street, Wynberg, Sandton, 2090 and at any adjournment thereof as follows:

If shareholders have dematerialised their shares with a Central Securities Depository Participant (CSDP) or broker, other than with own name registration, they must arrange with the CSDP or broker concerned to provide them with the necessary written authorisation to attend the annual general meeting or the shareholders concerned must instruct them as to how they wish to vote in this regard. This must be done in terms of the custody agreement entered into between the shareholder and the CSDP or broker concerned.

I/We (Full name(s) in block letters)

of (address)

being the registered holder/s of

ordinary shares hereby appoint:

1 of or failing him/her

2 of or failing him/her

3 the chairman of the annual general meeting, as my/our proxy, to vote for me/us and on my/our behalf at the annual general meeting for purposes of considering and, if deemed fit passing, with or without modification, the special and ordinary resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name/s in accordance with the following instructions (see Notes on the reverse hereof):

	NUMBER OF VOTES (ONE VOTE PER SHARE)		
	In favour of	Against	Abstain
Ordinary resolutions			
1 Adoption of annual financial statements			
2 Reappointment of auditors			
3 Special resolution number 1: To approve the fees payable to the non-executive directors:			
3.1 Chairman			
3.2 Board members			
3.3 Audit and risk committee chairman			
3.4 Audit and risk committee members			
3.5 Human resources and remuneration committee chairman			
3.6 Human resources and remuneration committee members			
4 Re-election of directors retiring by rotation:			
4.1 M J Jooste			
4.2 S H Nomvete			
5 Ratification of appointment of directors:			
5.1 J de V du Toit			
5.2 K J Grové			
5.3 A B la Grange			
5.4 S H Müller			
5.5 P K Quarmbly			
5.6 C J H van Niekerk			
6 Election of members of the audit and risk committee:			
6.1 S H Müller			
6.2 S H Nomvete			
6.3 P K Quarmbly			
7 Placing of 10% of the unissued shares under the directors' control			
8 Adoption of a new KAP Performance Share Rights Scheme			
9 General authority to issue unissued shares for cash			
10 Special resolution number 2: General authority to purchase own shares			
11 General authority to distribute share capital and/or reserves			
12 Special resolution number 3: Authority to provide financial assistance			
13 Endorsement of remuneration policy			
14 Special resolution number 4: Change of name to KAP Industrial Holdings Limited			
15 Special resolution number 5: Adoption of a new memorandum of incorporation			
16 General authority to create and issue convertible instruments			

A member's instructions will be indicated by the insertion of the relevant number of votes exercisable by that member in the appropriate block. Insert "X" in the appropriate block if you wish to vote all your shares in the same manner. If not, insert the number of votes in the appropriate block. The total number of votes may not exceed the total to which the member is entitled. Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed at _____ this _____ day of _____ 2012

Signature _____

Any power of attorney and any instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or notorially certified copy of the power of attorney, must be forwarded to the company's transfer secretaries, Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg 2001 or Computershare Investor Services (Pty) Limited, PO Box 61051, Marshalltown 2107, so as to arrive not less than 48 hours (excluding Saturdays, Sundays and public holidays) before the meeting commences.

Notes to form of proxy

1. This form of proxy should only be used by certificated shareholders or shareholders who have dematerialised their shares with own name registration.
2. All other shareholders who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker and wish to attend the annual general meeting, must arrange with CSDP or broker concerned to provide them with the necessary written authorisation to attend the annual general meeting or, should they not wish to attend, the shareholders must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.
3. A shareholder may insert the name/s of one or more proxies, none of whom need be a member of the company, in the space provided, with or without deleting "the chairman of the annual general meeting". The person whose name appears first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy shall be exercised by the chairman of the annual general meeting.
4. A shareholder's instructions on the form of proxy must be indicated by the insertion of a number of shares or an "X", if you wish to vote all your shares, in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit in respect of all of the shareholder's votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
5. In order to be effective, completed proxy forms must reach the transfer secretaries so as to arrive not less than 48 hours before the time fixed for the meeting excluding Saturdays, Sundays and public holidays.
6. The completion and lodging of this form of proxy shall in no way preclude the shareholder from attending, speaking and voting in person at the annual general meeting to the exclusion of any proxy appointed in terms hereof.
7. Should this form of proxy not be completed and/or received in accordance with these notes, the chairman may accept or reject it, provided that in the case of acceptance, the chairman is satisfied as to the manner in which the shareholder wishes to vote.
8. Documentary evidence establishing the authority of the person signing this form of proxy in a representative or other legal capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries or waived by the chairman of the annual general meeting.
9. The chairman shall be entitled to reject the authority of a person signing the form of proxy:
 - 9.1 under a power of attorney; or
 - 9.2 on behalf of a company unless that person's power of attorney or authority is deposited at the registered office of the transfer secretaries not less than 48 hours before the annual general meeting, therefore not later than 10:00 on Monday, 12 November 2012.
10. Where shares are held jointly, all joint holders are required to sign the form of proxy.
11. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
12. Any alteration of or correction to this form of proxy must be initialled by the signatory/ies.
13. On a show of hands, every shareholder present in person or represented by proxy shall have only one vote, irrespective of the number of shares he/she holds or represents.
14. On a poll, every shareholder present in person or represented by proxy shall have one vote for every share held by such shareholder.
15. A resolution put to the vote shall be decided by a show of hands unless before, or on the declaration of the results of the show of hands, a poll shall be demanded by any person entitled to vote at the annual general meeting.

Transfer secretaries

Computershare Investor Services (Pty) Limited

Address	Postal
70 Marshall Street	PO Box 61051
Johannesburg	Marshalltown
2001	2107

Contact

Telephone 011 370 5000

Facsimile 011 688 7710





www.kap.co.za