

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions on pages 6 and 7 of this Circular apply throughout this Circular including this cover page.

If you are in any doubt as to the action you should take, please consult your Participant, broker, attorney, accountant or other professional advisor.

Action Required:

This Circular is important and should be read with particular attention to the "Action required by RAC Shareholders" section of this Circular, which sets out the action required of them with regard to this Circular.

If you have disposed of all your RAC Shares, then this Circular should be forwarded to the purchaser to whom, or the broker, agent or Participant through whom, you disposed of your RAC Shares.

RAC

RECM AND CALIBRE

RECM AND CALIBRE LIMITED

(Incorporated in the Republic of South Africa)
Registration number 2009/012403/06
Preference Share Code: RACP
ISIN: ZAE000145041
("RAC" or "the Company")

CIRCULAR TO RAC ORDINARY SHAREHOLDERS AND PARTICIPATING PREFERENCE SHAREHOLDERS

relating to:

- **the adoption of a new Memorandum of Incorporation;**

and including:

- a notice of a special general meeting of the holders of RAC Participating Preference Shares ("Participating Preference Shareholders") at the Southern Sun, Newlands, 7 Main Road, Cape Town, on 27 July 2016 ("Preference Shareholder Meeting") in order to consider and if deemed fit, approve, the resolutions in respect of the matters above to the extent required in terms of the MOI, further details of which are set out in the "Actions Required by RAC Ordinary and Participating Preference Shareholders" section of this Circular;
- a notice of a combined general meeting of the holders of RAC Ordinary Shares and Participating Preference Shares (collectively "RAC Shareholders") at the Southern Sun Newlands, 7 Main Road, Cape Town, on 27 July 2016 ("General Meeting") in order to consider and if deemed fit, approve, the resolutions in respect of the matters above to the extent required in terms of the MOI, further details of which are set out in the "Actions Required by RAC Ordinary and Participating Preference Shareholders" section of this Circular;
- the proposed new Memorandum of Incorporation;
- a form of proxy (blue) (for use by certificated and "own name" dematerialised Participating Preference Shareholders only) for purposes of the Preference Shareholder Meeting; and
- a form of proxy (green) (for use by certificated and "own name" dematerialised RAC Shareholders only) for purposes of the General Meeting.

Debt Sponsor to RAC



Legal Advisors



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CORPORATE INFORMATION AND ADVISORS

DIRECTORS OF RAC

PG Viljoen
T de Bruyn
JC van Niekerk
JG Swiegers
Z Matlala
T Rossini

TRANSFER SECRETARIES

Link Market Services South Africa (Pty) Ltd
13th Floor, Rennie House
19 Ameshoff Street
Braamfontein, 2001
(PO Box 4844, Johannesburg, 2000)

ATTORNEYS

Cliffe Dekker Hofmeyr Incorporated
11 Buitengracht Street
Cape Town, 8001
(PO Box 695, Cape Town, 8000)

Date and Place of Incorporation:

2009/06/24
Republic of South Africa

SECRETARY AND REGISTERED OFFICE

G Simpson
8th Floor, Claremont Central
8 Vineyard Road
Claremont
Cape Town, 7700
(PO Box 45040, Claremont, 7735)

SPONSORS

Questco (Pty) Ltd
First Floor, Yellowwood House
Ballywoods Office Park
33 Ballyclare Drive
Bryanston, 2191
(PO Box 98956, Sloane Park, 2152)

This Circular is available in English only. Copies may be obtained from the Registered Office of the Company and the Transfer Secretaries at the addresses set out above. An electronic version of the Circular shall be made available on the Company's website: www.racltd.co.za.

ACTION REQUIRED BY RAC ORDINARY AND PARTICIPATING PREFERENCE SHAREHOLDERS

The definitions and interpretations set out on pages 6 and 7 of this Circular apply to this section on action required by RAC Shareholders.

Please take careful note of the following provisions regarding the action required by RAC Ordinary and Participating Preference Shareholders:

If you are in any doubt as to what action to take, please consult your Participant, broker, attorney, banker or other professional advisor immediately.

On issues which arise in the normal course of business, and which do not directly affect the rights or interests of Participating Preference Shareholders, Participating Preference Shareholders generally do not have to be consulted. It is considered that the proposals envisaged in this document do to an extent directly affect the rights and/or interests of the Participating Preference Shareholders, and they are therefore, as required by the MOI, given an opportunity to meet separately and vote on the proposals. The Preference Shareholder Meeting is the forum in which this vote can be exercised. Participating Preference Shareholders should thus ensure that they are in no doubt as to what the proposals entail. The directors of RAC encourage Participating Preference Shareholders to attend and exercise their vote at the Preference Shareholder Meeting.

The Preference Shareholder Meeting will be held at 11:10 on 27 July 2016 at the Southern Sun Newlands, 7 Main Road, Newlands, Cape Town.

The General Meeting which follows the Preference Shareholder Meeting is for the Ordinary Shareholders of RAC to approve exactly the same proposals which will be tabled at the Preference Shareholder Meeting. It should be noted that the MOI makes provision for a right of attendance and limited voting by the Participating Preference Shareholders at the General Meeting, in addition to their votes at the Preference Shareholder Meeting (refer to the Notice of General Meeting for further details). This is again due to the fact that the proposals at the General Meeting are considered to directly affect their rights and/or interests as Participating Preference Shareholders.

The General Meeting of Ordinary Shareholders and Participating Preference Shareholders will be held at 11:20 on 27 July 2016 at the Southern Sun Newlands, 7 Main Road, Newlands, Cape Town.

ACTION REQUIRED

1. IF YOU HAVE DEMATERIALIZED YOUR RAC SHARES OTHER THAN WITH "OWN-NAME" REGISTRATION

1.1 Voting at the Preference Shareholder Meeting and General Meeting

- Your Participant or broker should contact you to ascertain how you wish to cast your vote at the Preference Shareholder Meeting (in respect of RAC Participating Preference Shareholders only) and at the General Meeting (in respect of Ordinary Shareholders or Participating Preference Shareholders, as applicable) and thereafter to cast your vote in accordance with your instructions.
- If you have not been contacted by your Participant or broker, it is advisable for you to contact your Participant or broker and furnish such with your voting instructions.
- If your Participant or broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your Participant or broker.
- You must **not** complete the attached forms of proxy (blue or green).

1.2 Attendance and representation at the Preference Shareholder Meeting and General Meeting

In accordance with the mandate between you and your Participant or broker, you must advise your Participant or broker if you wish to attend the Preference Shareholder Meeting (in respect of RAC Participating Preference Shareholders only) and/or the General Meeting (in respect of RAC Ordinary Shareholders and/or RAC Participating Preference Shareholders, as applicable). Your Participant or broker will then issue the necessary letter of representation to you to attend the Preference Shareholder Meeting and/or General Meeting, as the case may be.

2. IF YOU HAVE NOT DEMATERIALISED YOUR RAC SHARES OR HAVE DEMATERIALISED YOUR RAC SHARES WITH “OWN-NAME” REGISTRATION

2.1 Voting and attendance at the Preference Shareholder Meeting and General Meeting

RAC Participating Preference Shareholders may attend the Preference Shareholder Meeting in person and may vote at the Preference Shareholder Meeting. RAC Ordinary Shareholders and RAC Participating Preference Shareholders may attend the General Meeting in person and may vote at the General Meeting.

Alternatively:

- RAC Participating Preference Shareholders may appoint a proxy to represent them at the Preference Shareholder Meeting by completing the attached form of proxy (blue) in accordance with the instructions it contains and returning it to the Transfer Secretaries to be received by no later than the time for holding of the Preference Shareholder Meeting, but preferably not later than 48 hours before the time for holding of the meeting in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office; and
- RAC Ordinary Shareholders and RAC Participating Preference Shareholders may appoint a proxy to represent them at the General Meeting by completing the attached form of proxy (green) in accordance with the instructions it contains and returning it to the Transfer Secretaries to be received by no later than the time for holding of the General Meeting, but preferably not later than 48 hours before the time for holding of the meeting in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office.

If you wish to dematerialise your RAC Shares, please contact your Participant or broker.

If you have disposed of all of your RAC Shares, this Circular should be handed to the purchaser of such RAC Shares or the Participant, broker, banker or other agent who disposed of your RAC Shares for you.

IMPORTANT DATES AND TIMES

The definitions and interpretations set out on pages 6 and 7 of this Circular apply to this section on important dates and times.

2016

Record date to determine which shareholders are entitled to receive the Circular	Friday, 17 June
Distribution of Circular	Tuesday, 28 June
Last day to trade to vote at the Preference Shareholder Meeting and the General Meeting	Tuesday, 12 July
Record date to vote at the Preference Shareholder Meeting and the General Meeting	Friday, 15 July
Last day for receipt of proxy forms for the Preference Shareholder Meeting by the Transfer Secretaries before 11:10 on	Monday 25 July
Last day for receipt of proxy forms for the General Meeting by the Transfer Secretaries before 11:20 on	Monday 25 July
Preference Shareholder Meeting to be held at the Southern Sun Newlands, 7 Main Road, Newlands at 11:10 on	Wednesday, 27 July
General Meeting to be held at the Southern Sun Newlands, 7 Main Road, Newlands at 11:20 on	Wednesday, 27 July
Results of the Preference Shareholder Meeting and the General Meeting released on SENS on	Wednesday, 27 July
Results of the Preference Shareholder Meeting and the General Meeting published in the press on	Thursday, 28 July

Notes:

- 1. The above dates and times are subject to change. Any material changes will be released on SENS.*
- 2. Any reference to time is a reference to South African time.*
- 3. Forms of proxy for the Preference Shareholder Meeting and/or General Meeting must be received by not later than the time for holding the relevant meeting, but preferably 48 hours prior to the time of the Preference Shareholder Meeting and/or General Meeting (excluding Saturdays, Sundays and official public holidays in South Africa) by the Transfer Secretaries, in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office.*
- 4. If the Preference Shareholder Meeting and/or General Meeting is adjourned or postponed, forms of proxy must be received by not later than the time for holding the adjourned or postponed meeting, but preferably 48 hours prior to the time of the adjournment or postponed Preference Shareholder Meeting and/or General Meeting (excluding Saturdays, Sundays and official public holidays in South Africa) by the Transfer Secretaries, in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office.*

DEFINITIONS

In this Circular, unless otherwise stated or the context otherwise indicates, the words and expressions in the first column shall have the meaning stated opposite them in the second column and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include corporations and associations of persons and *vice versa* and any reference to one gender shall include the other gender:

“Board”	means the board of Directors of the Company;
“Business Day”	means any day other than a Saturday, Sunday or statutory public holiday in South Africa;
“Certificated Shareholder”	means a RAC Shareholder holding Certificated Shares;
“Certificated Shares”	means RAC Shares represented by a paper share certificate or other physical document(s) of title, which shares have not been surrendered for Dematerialisation;
“Circular”	means this circular to RAC Shareholders dated 28 June 2016 incorporating a Notice of General Meeting, a Notice of Preference Shareholder Meeting and forms of proxy;
“Companies Act”	means the South African Companies Act, 2008;
“Companies Regulations”	means the Companies Regulations, 2011, promulgated in terms of the Companies Act;
“Dematerialise” or “Dematerialised”	means the process by which Certificated Shares are converted to or held in an electronic form as uncertificated shares and recorded in the subregister of shareholders maintained by a Participant;
“Dematerialised Shareholder”	means a RAC Shareholder holding Dematerialised Shares;
“Dematerialised Shares”	means RAC Shares which have been Dematerialised;
“Directors”	mean the directors of RAC as listed on page 8 of this Circular;
“General Meeting”	means the combined general meeting of RAC Shareholders convened to take place at 11:20 on 27 July 2016 at the Southern Sun Newlands, 7 Main road, Newlands, Cape Town. The meeting has been convened in terms of the Notice of General Meeting attached to this Circular;
“Financial Markets Act”	means the Financial Markets Act, 2012;
“JSE”	JSE Limited, registration 2005/022939/06, a public company duly registered and incorporated under the laws of South Africa and licensed as an exchange under the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“MOI”	means the Memorandum of Incorporation of the Company;
“Ordinary Shareholders” or “RAC Ordinary Shareholders”	means the holders of RAC Ordinary Shares;
“Ordinary Shares” or “RAC Ordinary Shares”	means unlisted ordinary shares with a par value of 1 cent each in the share capital of RAC;
“Participant”	means a participant, as defined in section 1 of the Financial Markets Act, 2012 (Act 19 of 2012), as amended;

“Participating Preference Share Terms”	means the rights, privileges, restrictions and conditions of the Participating Preference Shares as set out in the MOI;
“Participating Preference Share” or “RAC Participating Preference Share”	means a no par value non-cumulative, redeemable, participating preference share in the Company’s share capital, which confers on the holders thereof the rights, privileges, restrictions and conditions set out in the Participating Preference Share Terms;
“Participating Preference Shareholders” or “RAC Participating Preference Shareholders”	means the holders of Participating Preference Shares;
“Preference Shareholder Meeting”	means the meeting of RAC Participating Preference Shareholders expected to take place at the Southern Sun Newlands, 7 Main Road, Newlands, Cape Town at 11:10 on 27 July 2016. The meeting has been convened in terms of the Notice of Preference Shareholder Meeting attached to this Circular;
“RAC” or “the Company”	means RECM and Calibre Limited, registration number 2009/012403/06, a company incorporated in accordance with the laws of South Africa;
“Registered Office” or “Company’s Registered Office”	means the registered office of RAC, being 8th Floor, Claremont Central, 8 Vineyard Road, Claremont, Cape Town, 7700;
“SENS”	means the “Stock Exchange News Service” of the JSE;
“Shareholders” or “RAC Shareholders”	mean collectively the holders of RAC Shares;
“Shares” or “RAC Shares”	means, collectively, RAC Ordinary Shares and RAC Participating Preference Shares;
“South Africa”	means the Republic of South Africa;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a limited liability private company duly incorporated in accordance with the laws of South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
“Transfer Secretaries”	means Link Market Services South Africa Proprietary Limited, registration number 2000/007239/07, a company incorporated in South Africa; and
“ZAR” or “R” or “Rand”	means South African Rand, the lawful currency of South Africa.



RECM AND CALIBRE

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(Incorporated in the Republic of South Africa)

Registration number 2009/012403/06

Preference Share Code: RACP

ISIN: ZAE000145041

("RAC" or "the Company")

Directors of RAC

PG Viljoen

T de Bruyn

JC van Niekerk

JG Swiegers

ZJ Matlala

T Rossini

CIRCULAR TO RAC ORDINARY AND PARTICIPATING PREFERENCE SHAREHOLDERS

1. ADOPTION OF A NEW MOI

The Board has performed a review of the Company's existing MOI and has found it to be in certain respects outdated, inconsistent and not sufficiently clear.

The Companies Act, the applicable JSE Listings Requirements and the existing MOI do not confer any right on Participating Preference Shareholders to approve the issue of new Participating Preference Shares. The Board has considered this matter and considers it appropriate to confer on Participating Preference Shareholders a level of control over the issue of new Participating Preference Shares.

The Board accordingly proposes that the MOI be improved and amended in order to address the following main objectives:

- that the MOI be generally improved in its entirety, in a technical sense, by clarifying a number of ambiguous provisions in the MOI, with a particular focus on distinguishing between the various classes of authorised shares;
- that provision be made in the MOI for the Participating Preference Shareholders to approve the issue of any new Participating Preference Shares by way of an ordinary resolution of the holders of the Participating Preference Shares only, in the event that the number of new Participating Preference Shares to be issued together with all other Participating Preference Shares issued during that financial year comprise more than 10% of the total number of Participating Preference Shares that were in issue at the commencement of that financial year; and
- that the MOI be updated to deal with fractions of shares resulting from corporate actions to be dealt with in line with the JSE listings requirements.

A summary of the key changes to the existing MOI are set out in Annexure "1" hereto, and the proposed new MOI, as well as a detailed comparison thereof to the existing MOI, is available for inspection.

2. OPINION AND RECOMMENDATION

The Board is of the view that the adoption of the new MOI is in the best interests of the Company and all RAC Shareholders, and that the RAC Shareholders and Participating Preference Shareholders be asked to approve the resolutions set out in respectively the Notice of Preference Shareholder Meeting and the Notice of General Meeting.

The Directors recommend that Shareholders vote in favour of the resolutions as set out in this Circular. The RAC Directors intend voting their RAC Shares in favour of the resolutions.

3. DIRECTORS' RESPONSIBILITY STATEMENTS

The Directors, whose names appear on page 8 of this Circular, –

- have considered all statements of fact and opinion in this Circular;
- collectively and individually accept full responsibility for the accuracy of the information given;
- certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading;
- have made all reasonable enquiries in this regard; and
- certify that, to the best of their knowledge and belief, this Circular contains all information required by law and the MOI.

4. CONSENTS

Each of Cliffe Dekker Hofmeyr Inc. and Questco Proprietary Limited has provided its written consent to act in the capacity stated and to its name being used in this Circular and has not withdrawn its consent prior to the date of this Circular.

5. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the Registered Office as well as at offices of the Transfer Secretaries from the date of this Circular up to and including the date of the Preference Shareholder Meeting and the General Meeting:

- this Circular;
- the existing MOI;
- the new MOI;
- a detailed comparison of the existing MOI and the new MOI; and
- the written consents as set out in paragraph 4 above.

By order of the Board



RECM AND CALIBRE LIMITED

G Simpson
Company Secretary

28 June 2016

SUMMARY OF KEY AMENDMENTS TO THE MEMORANDUM OF INCORPORATION

The key changes to the existing MOI relate to the following:

1. Reference to outdated legislation is replaced with references to current legislation.
2. In order to remove potential ambiguity, distinct definitions for “Ordinary Shares”, “Participating Preference Shares”, “Perpetual Preference Shares” and “Redeemable Preference Shares” are created and the existing definition of “Shares” in clause 1.1.23 be amended so as to include all classes of authorised shares. This has the effect of clarifying, *inter alia*, that –
 - no share, other than an ordinary share, has a general voting right unless such general voting right is expressly conferred by the terms applicable to that share;
 - an amendment to the MOI which relates to any class of shares other than the ordinary shares, shall require a special resolution at a separate meeting of such class of shareholders;
 - the Company will have the power to repurchase all classes of shares including the various classes of preference shares; and
 - the Board shall have the power to approve the issuing of any class of shares as capitalisation shares.
3. Fractions resulting from corporate actions are dealt with in line with recent changes to the JSE listings requirements.
4. A new provision is included which confers on the holders of Participating Preference Shares a level of control over the issue of new Participating Preference Shares. The clause reads as follows:

“13.9 Authority to issue further Participating Preference Shares

13.9.1 The authority of the directors to issue further Participating Preference Shares is not in any way restricted, except to the extent provided under clause 13.9.2.

13.9.2 Any new issue of Participating Preference Shares during any financial year of the Company, other than an issue pursuant to (i) a pro rata rights offer that is made available to all holders of Participating Preference Shares or (ii) a capitalisation issue, shall require the approval of the holders of the Participating Preference Shares, by way of an ordinary resolution of the holders of the Participating Preference Shares only, in the event that the number of new Participating Preference Shares to be issued together with all other Participating Preference Shares issued during that financial year comprise more than 10% of the total number of Participating Preference Shares that were in issue at the commencement of that financial year. Such authority could either be a specific authority for a specific issue of shares, or a general authority to issue shares subject to such parameters as may be provided by the resolution concerned.”



RECM AND CALIBRE

RECM AND CALIBRE LIMITED

(Incorporated in the Republic of South Africa)

Registration number 2009/012403/06

Preference Share Code: RACP

ISIN: ZAE000145041

("RAC" or "the Company")

NOTICE OF SPECIAL GENERAL MEETING OF PARTICIPATING PREFERENCE SHAREHOLDERS ("PREFERENCE SHAREHOLDER MEETING")

Notice is hereby given to all the Shareholders, Directors and auditors of RECM and Calibre Limited (the "Company") of a meeting of Participating Preference Shareholders to be held at the Southern Sun Newlands, 7 Main Road, Newlands at 11:10 on 27 July 2016 to consider and, if deemed fit, approve the resolutions set out below.

The definitions commencing on page 6 of the Circular to which this Notice of Preference Shareholder Meeting is attached apply *mutatis mutandis* to this Notice of Preference Shareholder Meeting.

1. SPECIAL RESOLUTION NUMBER 1

RESOLVED THAT, the existing MOI of the Company be and is hereby, in terms of section 16(1)(c) of the Companies Act, substituted in its entirety by the new memorandum of incorporation which has been available for inspection as set out in paragraph 5 of the Circular.

This special resolution requires the approval of at least 75% of the voting rights of Participating Preference Shareholders exercised on the resolution, in accordance with section 65(9) of the Companies Act and the MOI.

2. ORDINARY RESOLUTION NUMBER 1

RESOLVED THAT, any Director of the Company be and is hereby authorised to sign all such documents and any amendments thereto, take all such steps and do all such other things as may be necessary to give effect to and/or implement the resolutions contained herein.

Ordinary Resolution Number 1 requires the approval by more than 50% of the voting rights of Participating Preference Shareholders exercised on the resolution, in accordance with section 65(7) of the Companies Act and the MOI.

ELECTRONIC PARTICIPATION

Should any Participating Preference Shareholder wish to participate in the Special General Meeting by way of electronic participation, that Participating Preference Shareholder should make application in writing (including details as to how the Shareholder or its representative can be contacted) to so participate to the Transfer Secretaries at the address below, to be received by the Transfer Secretaries at least five Business Days prior to the Special General Meeting in order for the Transfer Secretaries to arrange for the Participating Preference Shareholder (and its representative) to provide reasonably satisfactory identification to the Transfer Secretaries for the purposes of section 63(1) of the Companies Act and for the Transfer Secretaries to provide the Participating Preference Shareholder (or its representative) with details as to how to access any electronic participation to be provided. The Company reserves the right to elect not to provide for electronic participation at the Special General Meeting in the event that it determines that it is not practical to do so. The costs of accessing any means of electronic participation provided by the Company will be borne by the Participating Preference Shareholder so accessing the electronic participation. Participating Preference Shareholders are advised that participation in the Special General Meeting by way of electronic participation will not entitle a Participating Preference Shareholder to vote. Should a Shareholder wish to vote at the Special General Meeting, he/she may do so by attending and voting at the Special General Meeting either in person or by proxy.

NOTES

Any Participating Preference Shareholder may, in writing, appoint a proxy, who need not be a Shareholder, to represent him/her at any general meeting. Any company, being a Shareholder, may execute a form of proxy under the hand of a duly authorised officer. The instrument appointing a proxy together with evidence of the authority of the person by whom the proxy is signed (except in the case of a proxy signed by the Shareholder), shall be deposited at the Transfer Secretaries by not later than the time for holding of the meeting or adjourned meeting (as the case may be), but preferably 48 hours before the time for the holding of the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution.

A form of proxy is enclosed with this notice, the completion of which will not preclude a Shareholder from attending and voting at the Preference Shareholder Meeting in person to the exclusion of any proxy appointed. Ordinary resolutions may be passed at the Preference Shareholder Meeting by a simple majority representing more than 50% of the voting rights exercised on the resolutions. Special resolutions require more than 75% of the voting rights exercised on the resolution. The quorum requirement in relation to both ordinary resolutions and special resolutions is at least three Shareholders holding Shares granting the right to vote in the Company who are present or represented at the Preference Shareholder Meeting, and there are sufficient persons present to exercise in aggregate at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting.

By order of the Board



RECM AND CALIBRE LIMITED

G Simpson
Company Secretary

28 June 2016



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Registration number 2009/012403/06

Preference Share Code: RACP • ISIN: ZAE000145041

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FORM OF PROXY FOR USE BY CERTIFICATED PARTICIPATING PREFERENCE SHAREHOLDERS AND "OWN-NAME" DEMATERIALISED PARTICIPATING PREFERENCE SHAREHOLDERS ONLY

For use only:

- by holders of Certificated Participating Preference Shares of the Company;
- holders of Dematerialised Participating Preference Shares in the Company held through a Participant or broker and who have selected "own-name" registration; and
- at the Special General Meeting of the Company to be held at 11:10 on 27 July 2016 at Southern Sun Newlands, 7 Main Road Newlands, Cape Town, or at any adjournment thereof.

If you are a Participating Preference Shareholder entitled to attend and vote at the Special General Meeting you can appoint a proxy or proxies to attend, vote and speak in your stead. A proxy need not be a Shareholder.

If you are a Participating Preference Shareholder and have Dematerialised your share certificates through a Participant (and have not selected "own-name" registration in the sub-register maintained by a Participant), do not complete this form of proxy (green) but instruct your Participant to issue you with the necessary letter of representation to attend the Special General Meeting, or if you do not wish to attend, provide your Participant with your voting instructions in terms of your custody agreement entered into with them.

I/We (full names in BLOCK LETTERS)

of (address)

Telephone number

Cell phone number

E-mail address

being the holder(s) of _____ **Participating Preference Shares in the Company**, hereby appoint (see note ii):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the Chairman of the Company or failing him the Chairman of the Special General Meeting,

as my/our proxy to attend, speak, and on a poll to vote or abstain from voting on my/our behalf at the Special General Meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the special resolution to be proposed thereat and at any adjournment thereof.

	In favour of	Against	Abstain
1. SPECIAL RESOLUTION NUMBER 1 Adoption of new memorandum of incorporation			
2. ORDINARY RESOLUTION NUMBER 1 General authority to Directors to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of above resolutions			

Note: Please indicate with an "x" in the spaces above how you wish your votes to be cast.

Signed at _____ on this _____ day of _____ 20____

Signature _____

Assisted by (if applicable) _____

Please read notes on the reverse side hereof.

Notes:

- (i) The following dates are applicable to all Participating Preference Shareholders. This notice is being mailed to the Participating Preference Shareholders on the Register of Participating Preference Shareholders as at Friday, 17 June 2016. Participating Preference Shareholders registered on the Register of Participating Preference Shareholders as at Friday, 15 July 2016 (“the Record Date”) shall have the right to participate and vote at the meeting. Accordingly, the last day to trade for Participating Preference Shareholders in order to be able to participate and vote at the meeting is Tuesday, 12 July 2016. Any change to an entry on the Register after the Record Date shall be disregarded in determining the right of any person to attend and vote at the Special General Meeting.
- (ii) A Participating Preference Shareholder entitled to vote may appoint a proxy to attend and vote instead of him/her using the enclosed Form of Proxy; the appointed proxy need not be a Shareholder. To be valid the Form of Proxy must be signed and must reach the office of the Transfer Secretaries, Link Market Services South Africa (Pty) Ltd, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001; or PO Box 4844, Johannesburg, 2000, by not later than 48 hours before the time for the holding of the meeting, in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office.
- (iii) To participate and to vote at the meeting, a Participating Preference Shareholder or his/her proxy is to present his/her identity document or other means of identification. In the case of a Participating Preference Shareholder being a body corporate, association of persons, foundation or other body of person, a representative thereof will only be eligible to attend and be admitted to, the meeting, and to vote there at, if a Form of Proxy has been (a) duly executed in his/her favour by the competent organ of the entity which he/she represents, and (b) submitted to the Company Secretary in accordance with the procedures set out under (ii) above.
- (iv) In the case of Participating Preference Shares held jointly by several persons, the person who had been nominated by the joint holders to be the registered holder of such Participating Preference Shares shall be entitled to attend and vote at the meeting. In the event that the joint holders failed to nominate such person, the first named joint holder on the Register of Shareholders shall be entitled to attend and vote at the meeting.
- (v) A Participating Preference Shareholder who is a minor may be represented at the meeting by his/her legal guardian who will be required to present his/her identity document.
- (vi) After the meeting has proceeded to business, voting documents will continue to be issued until such time as the meeting proceeds to vote on the first resolution of the agenda whether by show of hands or by poll. Thereafter no further voting documents will be issued and admittance to the meeting will be discontinued.
- (vii) Participating Preference Shareholders' rights:

Participating Preference Shareholders rights regarding proxies in terms of section 58 of the Companies Act are as follows:

 - (1) At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to –
 - (a) participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder; or
 - (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.
 - (2) A proxy appointment –
 - (a) must be in writing, dated and signed by the shareholder; and
 - (b) remains valid for –
 - (i) one year after the date on which it was signed; or
 - (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8)(d).
 - (3) Except to the extent that the Memorandum of Incorporation of a company provides otherwise –
 - (a) a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
 - (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - (c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
 - (4) Irrespective of the form of instrument used to appoint a proxy –
 - (a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - (c) if the appointment is revocable, a shareholder may revoke the proxy appointment by –
 - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
 - (5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of –
 - (a) the date stated in the revocation instrument, if any; or
 - (b) the date on which the revocation instrument was delivered as required in subsection(4)(c)(ii).
 - (6) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy otherwise provides.



RECM AND CALIBRE

RECM AND CALIBRE LIMITED

(Incorporated in the Republic of South Africa)

Registration number 2009/012403/06

Preference Share Code: RACP

ISIN: ZAE000145041

("RAC" or "the Company")

NOTICE OF GENERAL MEETING ("GENERAL MEETING")

Notice is hereby given to all the Shareholders, Directors and auditors of RECM and Calibre Limited (the "**Company**") of a general meeting of the Company to be held at the Southern Sun Newlands, 7 Main Road Newlands, Cape Town at 11:20 on 27 July 2016 to consider and, if deemed fit, approve the resolutions set out below.

The definitions commencing on page 6 of the Circular to which this Notice of General Meeting is attached apply *mutatis mutandis* to this Notice of General Meeting.

1. SPECIAL RESOLUTION NUMBER 1

RESOLVED THAT, the existing MOI of the Company be and is hereby, in terms of section 16(1)(c) of the Companies Act, substituted in its entirety by the new memorandum of incorporation which contains the proposed changes as set out in Annexure "1" to this Circular and which new memorandum of incorporation shall be made available for inspection.

This special resolution requires the approval of at least 75% of the voting rights of Shareholders exercised on the resolution, in accordance with section 65(9) of the Companies Act and the MOI. Each Ordinary Shareholder and Participating Preference Shareholder shall be entitled to one vote for every RAC Share held, provided that the total voting rights of the Participating Preference Share shall not be more than 24,99% of the total votes (including the votes of the Ordinary Shareholders exercisable in respect of this special resolution).

2. ORDINARY RESOLUTION NUMBER 1

RESOLVED THAT, any Director be and is hereby authorised to sign all such documents and any amendments thereto, take all such steps and do all such other things as may be necessary to give effect to and/or implement the resolutions contained herein.

Ordinary Resolution Number 1 requires the approval by more than 50% of the voting rights of Shareholders exercised on the resolution, in accordance with section 65(7) of the Companies Act and the MOI. Each Ordinary Shareholder and Participating Preference Shareholder shall be entitled to one vote for every RAC Share held, provided that the total voting rights of the Participating Preference Share shall not be more than 24,99% of the total votes (including the votes of the Ordinary Shareholders exercisable in respect of this special resolution).

ELECTRONIC PARTICIPATION

Should any Shareholder wish to participate in the General Meeting by way of electronic participation, that Shareholder should make application in writing (including details as to how the Shareholder or its representative can be contacted) to so participate to the Transfer Secretaries at the address below, to be received by the Transfer Secretaries at least five Business Days prior to the General Meeting in order for the Transfer Secretaries to arrange for the Shareholder (and its representative) to provide reasonably satisfactory identification to the Transfer Secretaries for the purposes of section 63(1) of the Companies Act and for the Transfer Secretaries to provide the Shareholder (or its representative) with details as to how to access any electronic participation to be provided. The Company reserves the right to elect not to provide for electronic participation at the General Meeting in the event that it determines that it is not practical to do so. The costs of accessing any means of electronic participation provided by the Company will be borne by the Shareholder so accessing the electronic participation. Shareholders are advised that participation in the General Meeting by way of electronic participation will not entitle a Shareholder to vote. Should a Shareholder wish to vote at the General Meeting, he/she may do so by attending and voting at the General Meeting either in person or by proxy.

NOTES

Any Shareholder may, in writing, appoint a proxy, who need not be a Shareholder, to represent him/her at any general meeting. Any company, being a Shareholder, may execute a form of proxy under the hand of a duly authorised officer. The instrument appointing a proxy together with evidence of the authority of the person by whom the proxy is signed (except in the case of a proxy signed by the Shareholder), shall be deposited at the Transfer Secretaries by not later than the time for holding of the meeting or adjourned meeting (as the case may be), but preferably 48 hours before the time for the holding of the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. A form of proxy is enclosed with this notice, the completion of which will not preclude a Shareholder from attending and voting at the General Meeting in person to the exclusion of any proxy appointed.

Ordinary resolutions may be passed at the General Meeting by a simple majority representing more than 50% of the voting rights exercised on the resolutions. Special resolutions require more than 75% of the voting rights exercised on the resolution. The quorum requirement in relation to both ordinary resolutions and special resolutions is at least three Shareholders holding Shares granting the right to vote in the Company who are present or represented at the General Meeting, and there are sufficient persons present to exercise in aggregate at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting.

By order of the Board



RECM AND CALIBRE LIMITED

G Simpson
Company Secretary

28 June 2016



RECM AND CALIBRE

RECM AND CALIBRE LIMITED

(Incorporated in the Republic of South Africa)

Registration number 2009/012403/06

Preference Share Code: RACP • ISIN: ZAE000145041

("RAC" or "the Company")

FORM OF PROXY FOR USE BY CERTIFICATED RAC SHAREHOLDERS AND "OWN-NAME" DEMATERIALISED SHAREHOLDERS ONLY

For use only:

- by holders of Certificated Shares of the Company;
- by Dematerialised Shareholders held through a Participant or broker and who have selected "own-name" registration; and
- at the General Meeting of the Company to be held at 11:20 on 27 July 2016 at the Southern Sun Newlands, 7 Main Road Newlands, Cape Town, or at any adjournment thereof.

If you are a RAC Shareholder entitled to attend and vote at the General Meeting you can appoint a proxy or proxies to attend, vote and speak in your stead. A proxy need not be a Shareholder.

If you are a RAC Shareholder and have Dematerialised your share certificates through a Participant (and have not selected "own-name" registration in the sub-register maintained by a Participant), do not complete this form of proxy (green) but instruct your Participant to issue you with the necessary letter of representation to attend the General Meeting, or if you do not wish to attend, provide your Participant with your voting instructions in terms of your custody agreement entered into with them.

I/We (full names in BLOCK LETTERS) _____

of (address) _____

Telephone number _____

Cell phone number _____

E-mail address _____

being the holder(s) of _____ **Ordinary Shares/Participating Preference Shares in the Company**, hereby appoint (see note ii):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the Chairman of the Company or failing him the Chairman of the General Meeting,

as my/our proxy to attend, speak, and on a poll to vote or abstain from voting on my/our behalf at the General Meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the special resolution to be proposed thereat and at any adjournment thereof.

	In favour of	Against	Abstain
1. SPECIAL RESOLUTION NUMBER 1 Adoption of new memorandum of incorporation			
2. ORDINARY RESOLUTION NUMBER 1 General authority to Directors to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of above resolutions			

Note: Please indicate with an "x" in the spaces above how you wish your votes to be cast.

Signed at _____

on this _____

day of _____

20 _____

Signature _____

Assisted by (if applicable) _____

Please read notes on the reverse side hereof.

Notes:

- (i) The following dates are applicable to all Shareholders. This notice is being mailed to the Shareholders on the Register of Shareholders as at Friday, 17 June 2016. Shareholders registered on the Register of Shareholders as at Friday, 215 July 2016 (“the Record Date”) shall have the right to participate and vote at the meeting. Accordingly, the last day to trade for Shareholders in order to be able to participate and vote at the meeting is Tuesday, 12 July 2016. Any change to an entry on the Register after the Record Date shall be disregarded in determining the right of any person to attend and vote at the General Meeting.
- (ii) A Shareholder entitled to vote may appoint a proxy to attend and vote instead of him/her using the enclosed Form of Proxy; the appointed proxy need not be a Shareholder. To be valid the Form of Proxy must be signed and must reach the Transfer Secretaries, Link Market Services South Africa (Pty) Ltd at 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001 or PO Box 4844, Johannesburg, 2000, by not later than 48 hours before the time for the holding of the meeting, in order that the Transfer Secretaries may be able to timeously send the proxy form on your behalf to the Registered Office.
- (iii) To participate and to vote at the meeting, a Shareholder or his/her proxy is to present his/her identity document or other means of identification. In the case of a Shareholder being a body corporate, association of persons, foundation or other body of person, a representative thereof will only be eligible to attend and be admitted to, the meeting, and to vote there at, if a Form of Proxy has been (a) duly executed in his/her favour by the competent organ of the entity which he/she represents, and (b) submitted to the Company Secretary in accordance with the procedures set out under (ii) above.
- (iv) In the case of Shares held jointly by several persons, the person who had been nominated by the joint holders to be the registered holder of such Shares shall be entitled to attend and vote at the meeting. In the event that the joint holders failed to nominate such person, the first named joint holder on the Register of Shareholders shall be entitled to attend and vote at the meeting.
- (v) A Shareholder who is a minor may be represented at the meeting by his/her legal guardian who will be required to present his/her identity document.
- (vi) After the meeting has proceeded to business, voting documents will continue to be issued until such time as the meeting proceeds to vote on the first resolution of the agenda whether by show of hands or by poll. Thereafter no further voting documents will be issued and admittance to the meeting will be discontinued.
- (vii) Shareholders’ rights:

Shareholders rights regarding proxies in terms of section 58 of the Companies Act are as follows:

- (7) At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to –
 - (c) participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder; or
 - (d) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.
- (8) A proxy appointment –
 - (c) must be in writing, dated and signed by the shareholder; and
 - (d) remains valid for –
 - (iii) one year after the date on which it was signed; or
 - (iv) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8)(d).
- (9) Except to the extent that the Memorandum of Incorporation of a company provides otherwise –
 - (d) a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
 - (e) a proxy may delegate the proxy’s authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - (f) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
- (10) Irrespective of the form of instrument used to appoint a proxy –
 - (d) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - (e) the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - (f) if the appointment is revocable, a shareholder may revoke the proxy appointment by –
 - (iii) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - (iv) delivering a copy of the revocation instrument to the proxy, and to the company.
- (11) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the shareholder as of the later of –
 - (c) the date stated in the revocation instrument, if any; or
 - (d) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).
- (12) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy otherwise provides.





