

## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, throughout this Circular including this cover page.

If you are in any doubt as to the action you should take, please consult your CSDP, 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 Participating Preference 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 Participating Preference Shares, then this Circular should be forwarded to the purchaser to whom, or the Broker, agent or CSDP through whom, you disposed of your Participating Preference Shares.

### **DISCLAIMER**

**RAC does not accept any responsibility and will not be held liable for any failure on the part of any CSDP or Broker of a Dematerialised Participating Preference Shareholder to notify such Participating Preference Shareholder of the details of this Circular or the proposed Resolution.**

### **JURISDICTION**

This Circular and the Voting Form shall be governed by and be subject to the laws of South Africa.

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# **RAC**

## **RECM AND CALIBRE RECM AND CALIBRE LIMITED**

(Incorporated in the Republic of South Africa)  
Registration number 2009/012403/06  
Participating Preference Share code: RACP  
ISIN: ZAE000145041

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## **CIRCULAR TO RAC PARTICIPATING PREFERENCE SHAREHOLDERS**

Regarding:

- **a specific authority to issue up to a maximum of 32 000 000 additional RAC Participating Preference Shares;**

and incorporating:

- **the Resolution to be adopted as a round robin resolution in terms of section 60(1) of the Companies Act;**
- **a Voting Form; and**
- **a Form of Proxy.**

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**Corporate Advisor, Sponsor and Transaction Sponsor**



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**Date of issue: 29 June 2018**

*This document is available in English only. Copies may be obtained from the Company or Questco Corporate Advisory Proprietary Limited at the addresses set out in the "Corporate Information" section of this Circular during normal office hours from the date of its posting up to and including the Publication Date and will be made available on the Company's website, [www.racltd.co.za](http://www.racltd.co.za).*

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## CORPORATE INFORMATION

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### DIRECTORS

#### Executive

PG Viljoen (*Chairman*)

JC van Niekerk (*Financial Director*)

#### Non-executive

T de Bruyn

#### Independent non-executive:

Z Matlala

T Rossini

JG Swiegers

**Date of incorporation:** 24 June 2009

**Place of incorporation:** South Africa

### COMPANY SECRETARY AND REGISTERED OFFICE

G Simpson

6th Floor, Claremont Central

8 Vineyard Road

Claremont

Cape Town, 7700

(PO Box 45040, Claremont, 7735)

### TRANSACTION SPONSOR AND CORPORATE ADVISOR

Questco Proprietary Limited

(Registration number: 2002/005616/07)

First Floor, Yellowwood House

Ballywoods Office Park

33 Ballyclare Drive

Bryanston, 2191

### SPONSOR

Questco Corporate Advisory Proprietary Limited

(Registration number: 2011/106751/07)

First Floor, Yellowwood House

Ballywoods Office Park

33 Ballyclare Drive

Bryanston, 2191

### TRANSFER SECRETARIES

Link Market Services South Africa Proprietary Limited

(Registration number 2000/007239/07)

13th Floor

19 Ameshoff Street

Braamfontein, 2017

(PO Box 4844, Johannesburg, 2000)

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## **ACTION REQUIRED BY RAC PREFERENCE SHAREHOLDERS**

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This Circular contains information in respect of the proposed Participating Preference Share Issue. You should read this Circular carefully in order to decide on how you wish to vote on the Resolution proposed. The definitions commencing on page 4 of this Circular apply, *mutatis mutandis*, to this section setting out action required by RAC Preference Shareholders.

### **1. CERTIFICATED PARTICIPATING PREFERENCE SHAREHOLDERS AND DEMATERIALISED OWN-NAME REGISTERED PARTICIPATING PREFERENCE SHAREHOLDERS**

Certificated Participating Preference Shareholders and Dematerialised Own-name Registered Participating Preference Shareholders may indicate, by the insertion of the relevant number of votes exercisable by that Participating Preference Shareholder in the appropriate box provided, on the Voting Form attached to this Circular, how they wish to cast their votes in relation to the round robin Resolution. Please return a copy of the completed and signed Voting Form to the Transfer Secretaries within 20 (twenty) business days of the Deemed Date of receipt hereof at any one of the following addresses:

#### **By hand:**

Link Market Services South Africa Proprietary  
Limited  
13th Floor  
19 Ameshoff Street  
Braamfontein, 2017

#### **By mail:**

Link Market Services South Africa Proprietary  
Limited  
(PO Box 4844, Johannesburg, 2000)

Email: meetfax@linkmarketservices.co.za

### **2. DEMATERIALISED PARTICIPATING PREFERENCE SHAREHOLDERS WHO HAVE NOT SELECTED OWN-NAME REGISTRATION**

Dematerialised Participating Preference Shareholders should advise their CSDP or Broker as to what action they wish to take. This must be effected in terms of the agreement entered into between them and their CSDP or Broker. Participating Preference Shareholders who have dematerialised their Participating Preference Shares (other than Own-name Registered Dematerialised Participating Preference Shareholders) must **not** return the Voting Form attached to this Circular to the Transfer Secretaries but must instead furnish their CSDP or Broker with their instruction for voting in respect of the Resolution.

### **3. IF YOU HAVE DISPOSED OF YOUR PREFERENCE SHARES**

If you have disposed of your Participating Preference Shares, please forward this Circular to the purchaser of such Participating Preference Shares or to the Broker or agent through whom the disposal was effected.

### **4. DEEMED RECEIPT**

Where a Participating Preference Shareholder has received this Circular by means of the post, such Participating Preference Shareholder is deemed to have received this Circular on the Deemed Date, notwithstanding the date of actual receipt hereof.

### **5. RECORD DATE**

The record date for determining which Participating Preference Shareholders are entitled to vote on the Resolution shall be Friday, 22 June 2018.

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## SALIENT DATES AND TIMES

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*The definitions and interpretations commencing on page 4 of this Circular apply to this section.*

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**2018**

Record date to determine which Participating Preference Shareholders are entitled to receive the Circular and to vote on the Resolution	Friday, 22 June
Circular posted to Participating Preference Shareholders and notice of the round robin Resolution to be adopted in terms of section 60(1) of the Companies Act released on SENS on	Friday, 29 June
Deemed Date	Friday, 6 July
Deadline for the exercise of voting rights by Participating Preference Shareholders on the Resolution by 17:00 on	Friday, 3 August
Publication on SENS of statement of results of the Resolution	Monday, 6 August
Distribution of statement of results of the Resolution in terms of section 60(4) of the Companies Act no later than	Monday, 20 August

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**Notes:**

1. All times indicated are South African times unless otherwise stated.
2. The above dates and times are subject to amendment. Any such amendment will be released on SENS.

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## DEFINITIONS AND INTERPRETATIONS

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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:

<b>“Astoria”</b>	Astoria Investments Limited (Registration number 1297585 CI/GBL), a company incorporated as a public company under the laws of Mauritius and which holds a Category One Global Business Licence issued by the FSC, and which holds a primary listing on the official list of the SEM and the Alternative Exchange of the JSE and a secondary listing on the NSX;
<b>“Astoria Shares”</b>	ordinary shares of no par value in the issued capital of Astoria and “Astoria Share” is a reference to each of the Astoria Shares;
<b>“Astoria Shareholders”</b>	the persons who are registered as holders of Astoria Shares as at the record date of the Voluntary Offer, which will be set out in an offer document, other than RAC (or Livingstone);
<b>“Board” or “Directors”</b>	collectively, the board of directors of the Company and the board of directors of Livingstone;
<b>“Broker”</b>	any person registered as a “broking member (equities)” in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or statutory public holiday in South Africa;
<b>“cents”</b>	ZAR cents;
<b>“Certificated Participating Preference Shareholder”</b>	a holder of Certificated Participating Preference Shares;
<b>“Certificated Participating Preference Shares”</b>	RAC Participating Preference Shares which are not dematerialised, title to which is represented by physical document(s) of title;
<b>“Circular”</b>	this circular to RAC Participating Preference Shareholders, incorporating the Resolution, the Voting Form and the Form of Proxy;
<b>“Companies Act”</b>	the South African Companies Act, 2008 (Act 71 of 2008), as amended;
<b>“CSDP”</b>	Central Securities Depository Participant as defined in the Financial Markets Act;
<b>“Deemed Date”</b>	the 7th (seventh) calendar day following the day on which this Circular was posted as recorded by a Post Office, which date is expected to be Friday, 6 July 2018;
<b>“Dematerialised Participating Preference Shareholders”</b>	holders of Dematerialised Participating Preference Share(s);
<b>“Dematerialised Participating Preference Shares”</b>	RAC Participating Preference Shares which have been dematerialised;
<b>“Financial Markets Act”</b>	the Financial Markets Act, 2012, as amended;

<b>“Form of Proxy”</b>	the form of proxy attached to this Circular for completion by Certificated Participating Preference Shareholders and own-name Dematerialised Participating Preference Shareholders only;
<b>“FSC”</b>	the Financial Services Commission of Mauritius;
<b>“JSE”</b>	JSE Limited (Registration number 2005/022939/06), a public company duly registered and incorporated with limited liability under the laws of South Africa and licensed as an exchange under the Financial Markets Act;
<b>“Last Practicable Date”</b>	the last practicable date prior to the finalisation of this Circular, being Friday, 22 June 2018;
<b>“Livingstone”</b>	Livingstone Investments Proprietary Limited (Registration number 2017/435437/07), a private company duly registered and incorporated in accordance with the laws of South Africa, and a wholly-owned subsidiary of RAC;
<b>“MOI”</b>	the memorandum of incorporation of the Company;
<b>“NSX”</b>	the Namibian Stock Exchange;
<b>“Own-name Registration”</b>	Dematerialised Participating Preference Shareholders who have registered their RAC Participating Preference Shares in their own name with a CSDP in terms of the Financial Markets Act;
<b>“Publication Date”</b>	the date of publication of the results of the Resolution on SENS, which will be the earlier of i) the business day following receipt of Voting Forms from Participating Preference Shareholders representing at least 75% of the total votes exercisable on the Resolution or ii) the business day following the deadline for Participating Preference Shareholders to exercise their voting rights, as set out in the “Salient Dates and Times” section of this Circular;
<b>“RAC” or “the Company”</b>	RECM and Calibre Limited (Registration number 2009/012403/06), a public company duly registered and incorporated with limited liability under the laws of South Africa, the Participating Preference Shares of which are listed on the JSE;
<b>“RAC Participating Preference Shareholder” or “Participating Preference Shareholder”</b>	the holders of RAC Participating Preference Shares;
<b>“RAC Participating Preference Share” or “Participating Preference Share”</b>	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 contained in the MOI;
<b>“Rand” or “R” or “ZAR”</b>	South African Rand, being the official currency of South Africa;
<b>“Resolution”</b>	the special resolution proposed to approve the Participating Preference Share Issue in accordance with clause 13.9.2 of the MOI and section 41(3) of the Companies Act, as set out in <b>Annexure 1</b> to this Circular;
<b>“SEM”</b>	the Stock Exchange of Mauritius;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Strate”</b>	Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated and registered with limited liability under the laws of South Africa and licensed as a CSD in terms of the Financial Markets Act;

**“Transfer Secretaries”**

Link Market Services South Africa Proprietary Limited (Registration number 2000/007239/07), a private company duly incorporated and registered with limited liability under the laws of South Africa;

**“Voluntary Offer”**

the voluntary offer to the Astoria Shareholders by RAC through Livingstone, to acquire up to 87 643 353 of Astoria Shares for the Offer Price, being all the Astoria Shares not currently held by RAC or Livingstone; and

**“Voting Form”**

the Voting Form to be completed by Certificated Participating Preference Shareholders and own-name Dematerialised Participating Preference Shareholders, attached to this Circular.





**RECM AND CALIBRE**  
**RECM AND CALIBRE LIMITED**

(Incorporated in the Republic of South Africa)  
Registration number 2009/012403/06  
Participating Preference Share code: RACP  
ISIN: ZAE000145041

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**CIRCULAR TO RAC PARTICIPATING PREFERENCE SHAREHOLDERS**

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**1. INTRODUCTION AND RATIONALE**

**1.1 Rationale**

Since its inception in 2010, RAC has successfully pursued attractively priced investments – both in South Africa and abroad. Over that time, the NAV per Participating Preference Share up to 31 March 2018 has increased by 178%, growing at an annual rate of 16.3% after all costs and tax.

Towards the end of 2016, RAC acquired an exposure to Astoria Shares as part of its normal course of business. Astoria Shares were trading at a significant discount to their NAV per share, less than a year after listing on the JSE. The Astoria Share price continues to trade at a significant discount to its published NAV, despite the fact that RAC has acquired, through its wholly-owned subsidiary, Livingstone, an aggregate exposure of 28.72% in Astoria. This significant discount should be attributed, *inter alia*, to:

- the underlying portfolio of Astoria only having performed in line with broad global market indices (which can rather be replicated at much lower cost by investors);
- one of the reasons given for Astoria's initial listing in 2015 being to "offer South African investors a Rand Hedge alternative". As opposed to the increasing number of JSE listed companies that have significant offshore operations with unique and high quality business models, Astoria's current value proposition is significantly less attractive;
- the substantial strengthening of the South African Rand against major global currencies since the initial capital raise by Astoria, which has resulted in investors' appetite for JSE-listed exposure to offshore investments receding;
- investor confidence in Astoria's management having been eroded by an aborted attempt to implement a share incentive scheme on top of the existing management arrangement shortly after the listing of Astoria.

RAC, through Livingstone, now finds itself as a significant minority shareholder in Astoria and would like to provide its proven capital allocation framework to the board of Astoria for implementation going forward. Astoria's capital base and its corporate structure provide significant benefits for RAC to pursue its proven investment strategy.

The Board believes that the Voluntary Offer is beneficial to RAC Shareholders on the basis that:

- with a larger shareholding, RAC will be able to capitalise on the unlocking of the significant discount at which Astoria trades to its NAV;
- Astoria, as an investment vehicle, will provide RAC the opportunity of higher net returns on capital in future.

As at the Last Practicable Date, RAC, through Livingstone, holds 28.72% of the issued share capital in Astoria and intends to make a Voluntary Offer to Astoria Shareholders in order to acquire up to 87 643 353 Astoria Shares, being all the Astoria Shares not already owned by RAC or Livingstone.

In order to provide the board of RAC with the flexibility to offer RAC Participating Preference Shares as a top-up consideration for the Voluntary Offer, the board of RAC requests approval from its Participating Preference Shareholders to issue up to a maximum of 32 000 000 Participating Preference Shares, as detailed in paragraph 4 below.

The new RAC Participating Preference Shares to be issued, if applicable, as consideration for the Voluntary Offer, following approval of RAC Participating Preference Shareholders, will rank *pari passu* with the existing RAC Participating Preference Shares in issue.

## 1.2 Information relating to Astoria

Astoria is a Mauritian investment company with an objective of achieving strong US Dollar capital appreciation over the medium to long term by investing globally in high-quality listed businesses. The company currently owns a portfolio of mostly blue chip, global equities, some unlisted investments, including hedge funds related to the manager and third-party private equity fund, and some cash. The net returns to Astoria's shareholders benefit from a favourable capital gains tax dispensation.

Astoria is administered from its office in Mauritius and its assets are managed by Anchor Capital (Mauritius) Limited in terms of a discretionary mandate. The latest annual report of Astoria can be accessed at: [http://www.astoria.mu/wp-content/uploads/2015/10/Astoria\\_AnnualReport\\_2017.pdf](http://www.astoria.mu/wp-content/uploads/2015/10/Astoria_AnnualReport_2017.pdf)

Astoria was listed on the SEM on 10 November 2015, followed by a capital raise and listing on the Alternative Exchange of the JSE on 25 November 2015. With effect from 31 July 2017, Astoria's listing on the JSE was converted to a primary listing, such that Astoria now holds primary listings on both the JSE and the SEM. Astoria also holds a secondary listing on the main board of the NSX.

## 2. PURPOSE OF THE CIRCULAR

The purpose of this Circular is to provide RAC Participating Preference Shareholders with an overview of the Participating Preference Share Issue so as to enable them to make an informed decision as to whether or not they should vote in favour of the Resolution.

## 3. THE PARTICIPATING PREFERENCE SHARE ISSUE

If applicable, the new RAC Participating Preference Shares will be issued to Astoria Shareholders as a top-up consideration for the Voluntary Offer and will not be issued to related parties of RAC, as defined by the JSE Limited Listings Requirements.

The Participating Preference Shares to be issued as a top-up consideration will only be utilised and be applicable in the event that the total cash resources available to RAC is not sufficient to settle the total consideration due to Astoria Shareholders who accept the Voluntary Offer.

If applicable, the new Participating Preference Shares will be issued at 2 777 cents each, which represents a premium of 39% to the 30-day VWAP as at 25 April 2018, being the last practicable date prior to finalising the documents pertaining to the Voluntary Offer, of 1 996 cents. The issue price does not represent a discount or a premium to the last reported NAV per Participating Preference Share, being 2 777 cents as at 30 March 2018, as published on 18 June 2018.

## 4. PARTICIPATING PREFERENCE SHAREHOLDERS' APPROVAL

In terms of clause 13.9.2 of the MOI, Participating Preference Shareholders are required, by way of an ordinary resolution, to approve the issue of new Participating Preference Shares in the event that the number of new Participating Preference Shares to be issued, together with all other Participating Preference Shares issued during the current financial year, comprise more than 10% of the total number of Participating Preference Shares that were in issue at the commencement of the current financial year. The required ordinary resolution is subject to a simple majority of votes by Participating Preference Shares being cast in favour thereof in order to be approved.

Furthermore, if the voting power of the Participating Preference Shares to be issued pursuant to the Voluntary Offer will equal or exceed 30% of the voting power of the RAC Participating Preference Shares in issue at the Last Practicable Date then such issue requires approval, in terms of a special resolution, by RAC Participating Preference Shareholders in terms of section 41(3) of the Companies Act. This special resolution requires approval by RAC Participating Preference Shareholders exercising at least 75% of the voting rights, exercised in accordance with section 65(9) of the Companies Act and the MOI.

The relevant combined Resolution is set out in **Annexure 1**.

5. **PARTICIPATING PREFERENCE SHARE CAPITAL**

The Company's Participating Preference Share capital before and after the issue of the Participating Preference Shares is set out below:

<b>BEFORE the Participating Preference Share Issue</b>	<b>Rand</b>
<b>Authorised:</b> 200 000 000 Participating Preference Shares	
<b>Issued:</b> 47 400 000 Participating Preference Shares	506 296 000

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<b>AFTER the Participating Preference Share Issue*</b>	<b>Rand</b>
<b>Authorised:</b> 200 000 000 Participating Preference Shares	
<b>Issued:</b> 77 223 020 Participating Preference Shares	1 334 481 260

*\* Assuming that 29 823 020 additional Participating Preference Shares are issued pursuant to the Voluntary Offer.*

6. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of the Company, whose names are given in the "Corporate Information" section of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given 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 and that the Circular contains all information required by law.

7. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection during normal business hours at the Company's registered office (and will also be made available on the Company's website: [www.racltd.co.za](http://www.racltd.co.za)) as well as at the offices of the Sponsor, which addresses are set out in the "Corporate Information" section of this Circular, from the date of posting of this Circular up to and including the Publication Date:

- the MOI; and
- a signed copy of this Circular.

By order of the board of Directors of RAC

**RECM AND CALIBRE LIMITED**

**G Simpson**

*Company Secretary*

**ROUND ROBIN RESOLUTION TO BE ADOPTED IN TERMS OF SECTION 60(1) OF THE COMPANIES ACT**

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The definitions and interpretations commencing on page 4 of the Circular to which this **Annexure 1** is attached apply hereto.

**SPECIAL RESOLUTION NUMBER 1 – APPROVAL IN RESPECT OF THE POTENTIAL ISSUE OF ADDITIONAL PARTICIPATING PREFERENCE SHARES**

“**RESOLVED THAT** the Company be and is hereby authorised to issue a maximum of 32 000 000 Participating Preference Shares (constituting 67.51% of the Participating Preference Shares currently in issue), in terms of clause 13.9.2 of the MOI and section 41(3) of the Companies Act and that any Director or the company secretary of RAC be and is hereby authorised to do all things and sign all documents required to give effect hereto.”

***Explanatory note on special resolution number 1***

Section 41(3) of the Companies Act requires shareholders to approve the issue of securities by way of a special resolution, if the voting power of the class of shares that are issued or issuable exceed 30% of the voting power of all the shares of that class of securities in issue as at the Last Practicable Date.

In addition, clause 13.9.2 of the Company's MOI requires Participating Preference Shareholders to approve, by way of an ordinary resolution, the issue of new Participating Preference Shares in the event that the number of new Preference Shares to be issued, together with all other Participating Preference Shares issued during the current financial year, comprise more than 10% of the total number of Participating Preference Shares that were in issue at the commencement of the current financial year.

Accordingly, a special resolution is proposed in order to procure the approval required by the Companies Act, which will also satisfy the MOI requirements.

**Voting requirements**

Special resolution number 1 requires 75% approval of Participating Preference Shareholders exercising voting rights, in accordance with section 65(9) of the Companies Act and the MOI.



RECM AND CALIBRE  
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**VOTING FORM**

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The definitions and interpretations commencing on page 4 of the Circular to which this **Voting Form** is attached apply hereto.

**FOR USE BY CERTIFICATED PARTICIPATING PREFERENCE SHAREHOLDERS AND DEMATERIALIZED OWN-NAME PARTICIPATING PREFERENCE SHAREHOLDERS IN TERMS OF SECTION 60 OF THE COMPANIES ACT.**

Participating Preference Shareholders who hold Dematerialised Participating Preference Shares, but not in their own name, must furnish their CSDP or Broker with their instructions for voting in respect of the Resolution set out in **Annexure 1**. Such Participating Preference Shareholders must NOT lodge this Voting Form. Unless such Participating Preference Shareholders advise their CSDPs or Brokers, as the case may be, by the cut-off time stipulated in terms of the custody agreement between the Participating Preference Shareholder and the CSDP or Broker, that the Participating Preference Shareholder wishes to give or withhold consent in respect of the Resolution, or to appoint a proxy to give or withhold such consent on their behalf, the CSDP or Broker will assume that the Participating Preference Shareholder does not wish to complete the Voting Form or appoint a proxy to do so.

I/We (please print full names)

of (address)

Telephone: (     )

Mobile number: (     )

Email address:

Being the holders of  Participating Preference Shares, hereby vote as follows:

	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>Special Resolution Number 1</b> Approval of the potential issue of additional Participating Preference Shares in terms of section 41(3) of the Companies Act and clause 13.9.2 of the MOI			

*Please insert the number of Participating Preference Shares you wish to vote or insert an "X" if you wish to vote all of your Preference Shares.*

Signed at

on

Signature

Assisted by me (where applicable) (name and capacity)

Signature

**Notes:**

1. A person signing this Voting Form in a representative capacity must attach the documentary evidence establishing such authority to this Voting Form, unless previously recorded by the Transfer Secretaries.
2. The Voting Form must be completed and signed in accordance with the instructions therein, and must be received by the Transfer Secretaries as follows:

**By hand:**

Link Market Services South Africa Proprietary Limited  
13th Floor  
19 Ameshoff Street  
Braamfontein, 2017

**By mail:**

Link Market Services South Africa Proprietary Limited  
(PO Box 4844, Johannesburg, 2000)

Email: [meetfax@linkmarketservices.co.za](mailto:meetfax@linkmarketservices.co.za)

within 20 business days of the Deemed Date of receipt of this Circular by a Participating Preference Shareholder (excluding the date of receipt hereof and including the last day of the 20-business day period) being Friday, 3 August 2018, contemplated herein.

3. A Certificated or Dematerialised Participating Preference Shareholder's instructions on the Voting Form must be indicated by the insertion of the relevant number of votes exercised by that Participating Preference Shareholder in the appropriate box provided. A Certificated or Own-name Dematerialised Participating Preference Shareholder is not obliged to use all the votes exercisable by such Participating Preference Shareholder, but the total number of votes cast and in respect of which abstention is recorded may not exceed the total number of votes exercisable by the Certified or Own-name Dematerialised Participating Preference Shareholder.



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**FORM OF PROXY**

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*(for use by Certificated and Own-name Dematerialised Participating Preference Shareholders only)*

The definitions and interpretations commencing on page 4 of the Circular to which this **Form of Proxy** is attached apply hereto.

I/We (please print full names)

of (address)

Telephone: (     )

Mobile number: (     )

Email address:

being the holders of  Participating Preference Shares, appoint (see note 1):

1. \_\_\_\_\_ or failing him,  
2. \_\_\_\_\_ or failing him,  
3. the chairperson,

as my/our proxy to vote for me/us on my/our behalf in respect of the round robin Resolution proposed by the Directors of the Company, as set out in **Annexure 1** of the Circular submitted to the Participating Preference Shareholders in terms of section 60 of the Companies Act, for the purpose of considering and, if deemed fit, passing, with or without modification, the Resolution, and to vote on the Resolution in respect of the Participating Preference Shares registered in my/our names in accordance with the following instructions (see note 6):

Resolution proposed	Number of votes		
	For	Against	Abstain
<b>Special Resolution Number 1</b> Approval of the potential issue of additional Participating Preference Shares in terms of section 41(3) of the Companies Act and clause 13.9.2 of the MOI			

*Please insert the number of Participating Preference Shares you wish to vote or insert an "X" if you wish to vote all of your Participating Preference Shares.*

Signed at

on

Signature

Assisted by me (where applicable) (name and capacity)

Signature

**Notes:**

1. The following categories of Participating Shareholders are entitled to complete a Form of Proxy:
  - a) Certificated Participating Preference Shareholders whose names appear in the Company's register;
  - b) own name Dematerialised Participating Preference Shareholders whose names appear on the sub-register of a CSDP;
  - c) CSDPs with nominee accounts; and
  - d) Brokers with nominee accounts.
2. Certificated Participating Preference Shareholders wishing to vote in respect of the Resolution must ensure beforehand with the Transfer Secretaries that their Participating Preference Shares are registered in their name.
3. Beneficial Participating Preference Shareholders whose Participating Preference Shares are not registered in their own name, but in the name of another, for example, a nominee, may not complete a Form of Proxy, unless a Form of Proxy is issued to them by the registered Participating Preference Shareholder and they should contact the registered Participating Preference Shareholder for assistance in issuing instruction on voting such Participating Preference Shares, or obtaining a Form of Proxy to vote in respect of the Resolution.
4. All beneficial Participating Preference Shareholders who have dematerialised their Participating Preference Shares through a CSDP or Broker, other than those in their own name, must provide the CSDP or Broker with their voting instructions. Participating Preference Shareholders who have dematerialised their Participating Preference Shares, other than those in their own name, must not lodge the Voting Form attached to the Circular.
5. A Participating Preference Shareholder may insert the name of a proxy or the names of two alternative proxies of the Participating Preference Shareholders' choice in the space/s provided. The person whose name stands first on the Form of Proxy will be entitled to act as proxy to the exclusion of those whose names follow.
6. Please insert the number of votes in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of Participating Preference Shares than you own in the Company, insert the number of Participating Preference Shares in respect

of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote, or to abstain from voting in respect of the Resolution as he/she deems fit in respect of all of the Participating Preference Shareholders' votes exercisable thereon. A Participating Preference Shareholder or the proxy is not obliged to use all the votes exercisable by the Participating Preference Shareholder, or by the proxy, but the total of votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Participating Preference Shareholder or by the proxy.

7. Forms of proxy must be received by the Transfer Secretaries as follows:

**By hand:**

Link Market Services South  
Africa Proprietary Limited  
13th Floor  
19 Ameshoff Street  
Braamfontein, 2017

**By mail:**

Link Market Services South  
Africa Proprietary Limited  
(PO Box 4844,  
Johannesburg, 2000)

Email: meetfax@linkmarketservices.co.za

within 20 business days of the Deemed Date of receipt of this Circular by a Participating Preference Shareholder (excluding the date of receipt hereof and including the last day of the 20-business day period) being Friday, 3 August 2018, contemplated herein.

8. The completion and lodging of this Form of Proxy will not preclude the relevant Participating Preference Shareholder from voting personally in respect of the Resolution to the exclusion of any proxy appointed in terms thereof.
9. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity must be attached to this Form of Proxy.
10. Any alteration or correction made to this Form of Proxy must be initialled by the signatory/ies.
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 Link Market Services South Africa Proprietary Limited.
12. The Company may reject or accept a Form of Proxy which is completed and/or received other than in accordance with these notes, if it is satisfied as to the manner in which the Participating Preference Shareholder wishes to vote.

**Summary of rights established by section 58 of the Companies Act as required in terms of sub-section 58(8)(b)(i):**

1. A proxy appointment must be in writing, dated and signed by the Participating Preference Shareholder and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 4.3 below (section 58(2)).
2. A Participating Preference Shareholder 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 Participating Preference Shareholder (section 58(3)(a)).
3. A proxy may delegate his or her authority to act on behalf of the Participating Preference Shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("**proxy instrument**") (section 58(3)(b)).
4. Irrespective of the form of instrument used to appoint a proxy:
  - 4.1 the appointment is suspended at any time and to the extent that the Participating Preference Shareholder chooses to act directly and in person in the exercise of any rights as a Participating Preference Shareholder (section 58(4)(a));
  - 4.2 the appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and
  - 4.3 if the appointment is revocable, a Participating Preference Shareholder may revoke the proxy appointment by cancelling it in writing or by making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and to the Company (section 58(4)(c)).
5. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Participating Preference Shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 4.3 above (section 58(5)).
6. If the proxy instrument has been delivered to a company, as long as that appointment remains in effect, any notice required by the Companies Act or the Company's MOI to be delivered by the Company to the Participating Preference Shareholder must be delivered by the Company to the Participating Preference Shareholder (section 58(6)(a)), or the proxy or proxies, if the Participating Preference Shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (section 58(6)(b)).
7. A proxy is entitled to exercise, or abstain from exercising, any voting right of the Participating Preference Shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).





