# CHROMETCO LIMITED

Incorporated in the Republic of South Africa
(Registration number: 2002/026265/06)
Share code: CMO ISIN: ZAE000070249
("**Chrometco**" or "**the Company**")

**Directors**

Jonathan Scott (*Independent non-executive Chairman*)
Petrus Cilliers *(Managing Director)*
Namir Waisberg *(Financial Director)*
Edward Bramley (*Non-executive Director)*
Richard Rossiter (*Independent non-executive Director)*
Ivan Collair (*Independent non-executive Director)*

## NOTICE OF GENERAL MEETING OF CHROMETCO SHAREHOLDERS

Notice is hereby given that a General Meeting of Shareholders of Chrometco ("**the General Meeting**") will be held at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 at 10:00 on 18 July 2017 for the purpose of considering, and if deemed fit, passing, with or without modification, the following resolutions set out in this Notice of General Meeting

***Note:***

*The definitions and interpretations commencing on page* 8 *of the Circular to which this Notice of General Meeting is attached, apply* mutatis mutandis *to this Notice of General Meeting and to the resolutions set out below.*

*For a special resolution to be approved by Shareholders, it must be supported by at least 75% of the voting rights exercised on the resolution. For an ordinary resolution to be approved by Shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution, save for Ordinary Resolution 5, which must be supported by at least 75% of the voting rights exercised on the resolution.*

1. **ORDINARY RESOLUTION NUMBER 1 – ACQUISITION OF THE BLACK CHROME SHARES, THE PALM CHROME SHARES AND THE SAIL MINERALS SHARES**

   **"RESOLVED AS AN ORDINARY RESOLUTION** that, subject to the approval of Ordinary Resolution Number 2, Ordinary Resolution Number 3 and Special Resolution Number 1, the acquisition by the Company of the Acquisition Shares for a total purchase consideration to be settled by way of the issue of 2 405 000 0000 Chrometco Shares, on the terms more fully set out in the Black Chrome Agreement and the Palm Chrome Agreement, the salient terms whereof are contained in the Circular and copies of which have been made available for inspection by Shareholders, be and is hereby approved in terms of the JSE Listings Requirements."

   **Reason and effect**

   The reason for Ordinary Resolution Number 1 is to approve the acquisition of the Acquisition Shares in accordance with the JSE Listings Requirements.

   The effect of Ordinary Resolution Number 1, if passed by Shareholders, is that the Company will be granted the necessary authority by Shareholders in terms of the JSE Listings Requirements to implement the Acquisitions.

2. **ORDINARY RESOLUTION NUMBER 2 – AUTHORITY TO ISSUE THE SPECIFIC ISSUE SHARES**

"**RESOLVED** that, subject to the approval of Ordinary Resolution Number 1, Ordinary Resolution Number 3 and Special Resolution Number 1, the Directors be and are hereby authorised to issue the Specific Issue Shares, being 62 500 000 ordinary shares of no par value in the authorised share capital of the Company, be and is hereby approved in terms of paragraph 5.51(g) of the JSE Listings Requirements and the Company's MOI."

**Reason and effect**

The reason for Ordinary Resolution Number 2 is that the issuing of the Specific Issue Shares in terms of the Specific Issue requires the approval of Chrometco Shareholders in terms of paragraph 5.51(g) of the JSE Listings Requirements and the Company's MOI. The effect of Ordinary Resolution Number 2 is that the requisite approval, in terms of paragraph 5.51(g) of the JSE Listings Requirements and the Company's MOI, will be granted by Shareholders in order for the Specific Issue to be implemented.

***Note:*** *In terms of paragraph 5.51(g) of the JSE Listings Requirements, Ordinary Resolution Number 2 requires the approval of at least 75% of the votes cast in favour thereof by all Shareholders present or represented by proxy at the General Meeting.*

3. **ORDINARY RESOLUTION NUMBER 3 – WAIVER OF THE MANDATORY OFFER**

"**RESOLVED AS AN ORDINARY RESOLUTION** that, in accordance with the provisions of regulation 86(4) of the Companies Regulations, the requirement in terms of section 123 of the Companies Act that GSE makes the Mandatory Offer to all Chrometco Shareholders by reason of it acquiring in excess of 35% of the of the total issued share capital of the Company as a consequence of the Transaction, be and is hereby waived."

***Note:*** *In terms of regulation 86(4) of the Companies Regulations, Ordinary Resolution Number 3 must be approved by independent holders of more than 50% of the general voting rights of all the issued securities of the Company, present in person or represented by proxy at the General Meeting.*

**Reason and effect**

The reason for Ordinary Resolution Number 3 is that following the implementation of the Transaction, GSE will hold in excess of 35% of the total issued share capital of the Company requiring it to make the Mandatory Offer to Chrometco Shareholders, unless same is waived by independent holders of more than 50% of the general voting rights of all the issued securities of the Company. The effect of Ordinary Resolution Number 3 is that should a majority of independent Shareholders approve Ordinary Resolution Number 3, GSE will not be obliged to make the Mandatory Offer.

4. **ORDINARY RESOLUTION NUMBER 4 – CONFIRMATION OF APPOINTMENT OF N WAISBERG AS AN EXECUTIVE DIRECTOR**

"**RESOLVED AS AN ORDINARY RESOLUTION** that, Mr N Waisberg's appointment as an executive Director of the company effective from 9 September 2016 is hereby confirmed.

**Reason and effect**

The reason for Ordinary Resolution Number 4 is the requirement in terms of the Company's MOI and the Act for shareholders to approve the appointment of the Directors of a company in General Meeting.

5. **SPECIAL RESOLUTION NUMBER 1 – AUTHORITY TO ISSUE THE ACQUISITION SHARES AND THE SPECIFIC ISSUE SHARES**

**"RESOLVED AS A SPECIAL RESOLUTION** that, subject to the approval of Ordinary Resolution Number 1, Ordinary Resolution Number 2 and Ordinary Resolution Number 3, the Company be and is hereby authorised to issue the Acquisition Shares and the Specific Issue Shares, the voting power of which will exceed 30% of the voting power of all Chrometco Shares held by Chrometco Shareholders immediately prior to issue of the Acquisition Shares and the Specific Issue Shares in terms of section 41(3) of the Companies Act."

**Reason and effect**

The reason for Special Resolution Number 1 is that section 41(3) of the Companies Act requires that companies obtain the approval of members by special resolution for any issue of securities, if the voting power of the securities that will be issued will be equal to or exceed 30% of the voting power of all the securities of that class held immediately before the issue.

The effect of Special Resolution Number 1 is that the Company shall be authorised to issue the Acquisition Shares and the Specific Issue Shares as required in terms of section 41(3) of the Companies Act.

**VOTING AND PROXIES**

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, 19 May 2017.

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, 7 July 2017. Accordingly, the last day to trade to be entitled to attend and vote at this meeting is Tuesday, 4 July.

Section 63(1) of the Companies At, No 71 of 2008, as amended, requires that meeting participants provide satisfactory identification. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the Chairman of the General Meeting and must accordingly bring a copy of their identity document, passport or drivers license to the General Meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the Transfer Secretaries for guidance.

Shareholders entitled to attend and vote at the 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 (*yellow*), in which the relevant instructions for its completion are set out, is enclosed for use by a Certificated Shareholder or Dematerialised Shareholder with "own-name" registration who wishes to be represented at the General Meeting. Completion of a form of proxy (*yellow*) will not preclude such Shareholder from attending and voting (in preference to that Shareholder's proxy) at the General Meeting.

By order of the board

**Vanessa Marques**
*Company Secretary*

30 May 2017

**Registered office**

21 7th Avenue
Parktown North, 2193
(PO Box 464, Parklands, 2121)

**Transfer secretaries**

Computershare Investor Services
Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196 (PO Box 61051, Marshalltown, 2107)

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**CHROMETCO LIMITED**

Incorporated in the Republic of South Africa
(Registration number: 2002/026265/06)
Share code: CMO ISIN: ZAE000070249
("**Chrometco**" or "**the Company**")

# FORM OF PROXY – FOR USE BY CERTIFICATED AND OWN-NAME DEMATERIALISED SHAREHOLDERS ONLY

**Please read the notes on the reverse side of this form of proxy**

*The definitions and interpretations commencing on page* 8 *of the Circular to which this Form of Proxy is attached, apply mutatis mutandis to this Form of Proxy.*

For use at the General Meeting of Shareholders of the Company, to be held at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 at 10:00 on Tuesday, 18 July 2017.

I/We (Full names in BLOCK LETTERS please) ______________________________

of (address) ______________________________

Telephone number ______________ Cellphone number ______________

E-mail address ______________________________

Being the registered holder(s) of: [          ] ordinary Shares in Chrometco Limited hereby appoint:

1. ______________________________ or failing him/her

2. ______________________________ or failing him/her

3. the Chairman of the General Meeting

as my/our proxy to vote for me/us 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 resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the said resolutions and/or to abstain from voting in respect of the Shares of the Company registered in my/our name(s), in accordance with the following instructions (see notes):

| | **Number of Shares** | | |
|---|---|---|---|
| | **For** | **Against** | **Abstain** |
| **Ordinary Resolution Number 1**<br>Approval the Acquisition | | | |
| **Ordinary Resolution Number 2**<br>Approval of the Specific Issue | | | |
| **Ordinary Resolution Number 3**<br>Waiver of the Mandatory Offer | | | |
| **Ordinary Resolution Number 4**<br>Confirmation of appointment of N Waisberg as executive Director | | | |
| **Special Resolution Number 1**<br>Authority to issue the Acquisition Shares | | | |

Please indicate your voting instruction by way of inserting the number of Shares or by a cross in the space provided.

Signed at ______________ on ______________ 2017

Signature ______________________________

Assisted by me *(where applicable) (State capacity and full name)*

Each Shareholder is entitled to appoint one or more proxy(ies) (who need not be a Shareholder(s) of the Company) to attend, speak and, vote in his stead at the General Meeting.

**Notes:**

1. A Chrometco Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space(s) provided, with or without deleting "the Chairman of the General Meeting", but any such deletion must be initialled by the Shareholder. The person whose name stands first on the form of proxy *(yellow)* and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A member is entitled to one vote on a show of hands and on a poll one vote in respect of each Share held. 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 General Meeting.
3. A Chrometco Shareholder's instructions to the proxy(ies) must be indicated by the insertion of the relevant number of Shares to be voted on behalf of that Shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the Chairman of the meeting, if he/she is the authorised proxy, to vote in favour of the resolutions at the meeting, or any other proxy to vote or to abstain from voting at the meeting as he/she deems fit, in respect of all the Shares concerned. 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 his/her proxy.
4. When there are joint registered holders of any Shares, any one of such persons may vote at the meeting in respect of such Shares as if he/she was solely entitled thereto, but, if more than one of such joint holders be present or represented at any meeting, that one of the said persons whose name stands first in the register in respect of such Shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member, in whose name any Shares stand, shall be deemed joint holders thereof.
5. Forms of proxy *(yellow)* must be completed and returned to be received by the Transfer Secretaries of the Company, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), so as to be received by not later than 10:00 on Friday, 14 July 2017 alternatively, such form of proxy (*yellow*) may be handed to the Chairman of the General Meeting prior to the exercise of the voting rights in terms thereof in respect of the resolution in question.
6. Any alteration of correction made to this form of proxy *(yellow)* must be initialled by the signatory (ies).
7. Documentary evidence establishing the authority of a person signing this form of proxy *(yellow)* in a representative capacity must be attached to this form of proxy *(yellow)* unless previously recorded by the Company's Transfer Secretaries or waived by the Chairman of the General Meeting.
8. The completion and lodging of this form of proxy *(yellow)* will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to.
9. Summary of Rights Contained in Section 58 of the Act

   In terms of section 58 of the Act:

   - a Shareholder may, at any time and in accordance with the provisions of section 58 of the Act, appoint any individual (including an individual who is not a Shareholder) as a proxy to participate in, and speak and vote at, a Shareholders meeting on behalf of such Shareholder;
   - a proxy may delegate her or his authority to act on behalf of a Shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
   - irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant Shareholder chooses to act directly and in person in the exercise of any of such Shareholder's rights as a Shareholder;
   - any appointment by a Shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
   - if an appointment of a proxy 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; and
   - a proxy appointed by a Shareholder is entitled to exercise, or abstain from exercising, any voting right of such Shareholder without direction, except to the extent that the relevant company's Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise.