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AFRIMAT LIMITED

**FIRST ADDENDUM TO THE AMENDED AND RESTATED
TRUST DEED OF THE AFRIMAT BEE TRUST**

Between

AFRIMAT LIMITED

and

PIETER LEON DU TOIT

and

JOHANNES MZAMO KALO

1 PARTIES

1.1 The Parties to this Addendum are –

1.1.1 Afrimat Limited;

1.1.2 Pieter Leon du Toit; and

1.1.3 Johannes Mzamo Kalo.

1.2 The Parties agree as set out below.

2 INTERPRETATION

In this Addendum -

2.1 "**Addendum**" means this addendum agreement;

2.2 "**Condition Precedent**" means the condition set out in clause 4;

2.3 "**Parties**" means the parties to this Addendum;

2.4 "**Trust Deed**" means the trust deed headed "*Amended and Restated Trust Deed of the Afrimat BEE Trust*" entered into between the Parties on or about 24 February 2010; and

2.5 words and phrases defined in the Trust Deed or in the annexures to the Trust Deed will bear the same meanings herein.

3 INTRODUCTION

3.1 The Trust was established during 2006 for the purposes of operating as a BEE scheme as part of the means of achieving the Company's BEE objectives.

3.2 The Company wishes to amend the Trust Deed so as to widen the pool of eligible Participants under the Scheme whilst continuing to seek the achievement of the Company's BEE objectives and to amend the definition of the Companies Act.

- 3.3 The Parties wish to record the variations and additional terms and conditions upon which they have agreed.

4 **CONDITION PRECEDENT**

- 4.1 Save for clauses 1 to 4, and clauses 7 and 8 all of which will become effective immediately, this Agreement is subject to the fulfilment of the Condition Precedent that by not later than 17h00 on 30 August 2013, the shareholders of the Company have, in general meeting and with 75% (seventy five percent) of the shareholders voting in favour of the resolution, approved and ratified the entering into of this Addendum and all other agreements and transactions contemplated herein.
- 4.2 The Parties shall use their reasonable endeavours and the Parties will cooperate in good faith to procure the fulfilment of the Condition Precedent as soon as reasonably possible after the Signature Date.
- 4.3 Unless all the Condition Precedent has been fulfilled by not later than the date for fulfilment thereof set out in clause 4.1 (or such later date as may be agreed in writing between the Parties) the provisions of this Agreement, save for clauses 1 to 4, and clauses 7 and 8, which will remain of full force and effect, will never become of any force or effect and the *status quo ante* will be restored as near as may be and none of the Parties will have any claim against the others in terms hereof or arising from the failure of the Condition Precedent, save for any claims arising from a breach of clause 4.2.

5 **VARIATION OF TRUST DEED**

The Trust Deed is hereby varied as follows -

- 5.1 clause 1.2.15 of the Trust Deed is hereby deleted and replaced with the following new clause 1.2.15 –

"1.2.15 **"Eligible Candidate"** means –

1.2.15.1 *anyone employed in a permanent capacity by the Company or any of its subsidiaries;*

1.2.15.2 *anyone employed by a labour broker and used by the Company or any of its subsidiaries; or*

1.2.15.3 *any non-executive Director of the Company or any of its subsidiaries,*

who is entitled, in terms of this Deed and the Rules or in terms of any provisions of the Companies Act, to participate in the Scheme,";

5.2 clause 21.1.3.4 of the Trust Deed is hereby deleted and replaced with the following new clause 21.1.3.4 –

"21.1.3.4 the amount, if any, payable on application or acceptance; the basis to determine the purchase or subscription price; the period in which payments, or loans to provide the same, may be paid or after which payments or loans to provide the same, must be paid; the terms of any loan; the procedure to be adopted on termination of the non-executive directorship, termination of employment or retirement of a Participant,";

5.3 clause 21.1.3.8 of the Trust Deed is hereby deleted and replaced with the following new clause 21.1.3.8 –

"21.1.3.8 the rights of Participants who leave the employment of the Company or cease to be non-executive Directors, as the case may be, whether by termination, resignation, retirement or death."; and

5.4 the words "*Employee*" and "*Employees*", wherever they appear in the Trust Deed, are hereby deleted and replaced with the words "*Eligible Candidate*" and "*Eligible Candidates*" respectively.

5.5 Clause 1.2.10 of the Trust Deed is hereby deleted and replaced with the following new clause 1.2.10 –

“1.2.10 “Companies Act” means the Companies Act 71 of 2008 and any amendments thereto”.

6 **SAVINGS CLAUSE**

Save to the extent specifically or by necessary implication modified in or inconsistent with the provisions of this Addendum, all of the remaining terms and conditions of the Trust Deed shall *mutatis mutandis* continue in full force and effect.

7 **COSTS**

The Company will bear and pay the legal costs and expenses of and incidental to the negotiation, drafting, preparation and implementation of this Addendum.

8 **SIGNATURE**

8.1 This Addendum is signed by the Parties on the dates and at the places indicated below.

8.2 This Addendum may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Addendum as at the date of signature of the Party last signing one of the counterparts.

8.3 The persons signing this Addendum in a representative capacity warrant their authority to do so.

8.4 The Parties record that it is not required for this Addendum to be valid and enforceable that a Party shall initial the pages of this Addendum and/or have its signature of this Addendum verified by a witness.

End.