

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

### Action required

The definitions commencing on page 3 of this circular have, where necessary, been used on this front cover. If you are in any doubt as to the action you should take, please consult the sponsor and corporate advisor, your CSDP, broker, attorney, accountant, banker or other professional advisor immediately. If you have disposed of all your shares in Afrimat, this document should be handed to the purchaser of such shares or the broker or other agent through whom the disposal was effected.

Shareholders who have not dematerialised their shares and own name dematerialised shareholders who are unable to attend the Afrimat general meeting to be held at The Cedar Conference Room, Poplars Restaurant, Race Course Road, Durbanville at 14:00 on Wednesday, 24 February 2010 and wish to be represented thereat, must complete the attached form of proxy in accordance with the instructions therein and return it to the transfer secretaries, Computershare Investor Services (Pty) Limited to be received by no later than 14:00 on Monday, 22 February 2010.

Shareholders who have dematerialised their shares, other than by own name registration, with a CSDP or broker must advise their CSDP or broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker. Shareholders who have dematerialised their shares must **not** return the attached form of proxy to the transfer secretaries. Their instructions must be sent to their CSDP or broker for action.



(Incorporated in the Republic of South Africa)  
(Registration number 2006/022534/06)  
Share code: AFT ISIN: ZAE000086302

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## CIRCULAR TO AFRIMAT SHAREHOLDERS

regarding

- **the amendment to the trust deed of the Afrimat Share Incentive Trust;**
- **the amended and restated trust deed of the Afrimat BEE Trust;**

and incorporating

- **a notice of general meeting of Afrimat; and**
- **a form of proxy (for use by certificated ordinary shareholders and dematerialised ordinary shareholders with “own name” registration only).**

The directors of Afrimat, whose names are set out on the inside front cover of this circular accept, collectively and individually, full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted which make any statement false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this circular contains all information required by law and the JSE Listings Requirements.

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### Sponsor and corporate advisor

The logo for Bridge Capital consists of a solid black rectangle with the words 'BRIDGE' and 'CAPITAL' stacked vertically in white, uppercase, sans-serif font.

BRIDGE  
CAPITAL

### Attorneys



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Date of issue: 4 February 2010

Copies of this circular are available in English only and may be obtained from 4 February 2010 until 24 February 2010, both days inclusive, during normal business hours from the registered office of the Company, the offices of the sponsor and corporate advisor and the transfer secretaries, the addresses of which are set out in the “Corporate information” section of this circular.

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## CORPORATE INFORMATION

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### Registered office

Tyger Valley Office Park No. 2  
Corner Willie van Schoor Avenue and Old Oak Road  
Tyger Valley, 7530  
(PO Box 5278, Tyger Valley, 7536)

### Transfer secretaries

Computershare Investor Services (Pty) Limited  
(Registration number 2004/003647/07)  
Ground Floor  
70 Marshall Street  
Johannesburg, 2001  
(PO Box 61051, Marshalltown, 2107)

### Attorneys

Cliffe Dekker Hofmeyr Incorporated  
(Registration number 2008/018923/21)  
4th Floor  
1 Protea Place  
Sandown, Sandton, 2196  
(Private Bag X7, Benmore, 2010)

### Sponsor and corporate advisor

Bridge Capital Advisors (Pty) Limited  
(Registration number 1998/016302/07)  
2nd Floor, 27 Fricker Road  
Illovo Boulevard  
Illovo, 2196  
(PO Box 651010, Benmore, 2010)

### Company secretary

Routledge Modise Incorporated  
practising as Eversheds  
22 Fredman Drive  
Sandton, 2196  
(PO Box 78333, Sandton City, 2146)

### Directors

Marthinus Wilhelmus von Wielligh\*\* (*Chairperson*)  
Andries Johannes van Heerden (*CEO*)  
Hendrik Philippus Verreyne (*Financial Director*)  
Loyiso Dotwana\*  
Peter Geoffrey Corbin  
Francois du Toit\*  
Lourens Petrus Korsten\*  
Phuti Rachel Ethel Tsukudu\*\*  
Hendrik Johannes Erasmus van Wyk\*\*

\*\* Independent non-executive

\* Non-executive

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## IMPORTANT DATES AND TIMES

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**2010**

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Circular and notice of general meeting posted to Afrimat shareholders on	Thursday, 4 February
Forms of proxy for the general meeting to be lodged by 14:00 on	Monday, 22 February
General meeting of Afrimat shareholders to be held at 14:00 on	Wednesday, 24 February
Announcement of results of the general meeting released on SENS on	Wednesday, 24 February

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**Notes:**

1. The definitions commencing on page 3 of this circular apply, *mutatis mutandis*, to this information on important dates and times.
2. The above dates and times (or any other dates and times in this circular) are subject to amendment. Any amendment to the dates and times will be released on SENS.
3. All the times referred to in this circular are local times in South Africa.

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## DEFINITIONS

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In this circular, unless otherwise stated or the context indicates a contrary intention, the following expressions shall have the meanings set out opposite them. Cognate expressions shall bear corresponding meanings, words denoting one gender shall include the others, natural persons shall include juristic persons and *vice versa* and the singular shall import and include the plural and *vice versa*.

<b>“Act”</b>	the Companies Act, 61 of 1973;
<b>“Addendum”</b>	the addendum to the Incentive Scheme Deed;
<b>“Afrimat” or “the Company”</b>	Afrimat Limited (Registration number 2006/022534/06), a limited liability public company incorporated in South Africa and listed on the Main Board of the JSE;
<b>“Auditors”</b>	the Auditors of the Company for the time being of the Company;
<b>“BEE”</b>	Black Economic Empowerment as contemplated in the BEE Act;
<b>“BEE Act”</b>	the Broad-Based Black Economic Empowerment Act of 2003;
<b>“BEE Deed”</b>	the trust deed of the BEE Trust, which trust deed amends and replaces the Initial BEE Trust Deed in its entirety;
<b>“BEE Offer”</b>	an offer made under the BEE Scheme to a BEE Offeree to purchase Shares from the BEE Trust;
<b>“BEE Offeree”</b>	an Employee nominated by the Directors in terms of the provisions of the BEE Scheme to receive a BEE Offer;
<b>“BEE Options”</b>	an option granted to an Employee in terms of the BEE Scheme;
<b>“BEE Participant”</b>	a BEE Offeree who has accepted a BEE Offer and, where required by the context, his heirs, executors, administrators or trustees and shall include his family trusts, family companies or family close corporations;
<b>“BEE Scheme”</b>	the share scheme set out in the trust deed of the BEE Trust;
<b>“BEE Trust”</b>	the Afrimat BEE Trust, being the trust constituted in terms of the Initial BEE Trust Deed, a trust registered with the Master of the High Court under IT13769/06;
<b>“BEE Trustees”</b>	the trustees holding office as such from time to time in terms of the BEE Deed;
<b>“Black Employees”</b>	Employees who are Black People;
<b>“Black People”</b>	subject to the provisions of the BEE Act and any further qualifications imposed by the Codes, African, Coloured or Indian persons who are natural persons and: <ul style="list-style-type: none"><li>– are citizens of South Africa by birth or descent;</li><li>– are citizens of South Africa by naturalisation before the commencement date of the Constitution of the Republic of South Africa, 1993; or</li><li>– became citizens of South Africa after the commencement date of the Constitution of the Republic of South Africa, but who, but for the Apartheid policy that has been in place prior to that date, would have been entitled to acquire citizenship by naturalisation prior to that date;</li></ul>

<b>“Capitalisation Issue”</b>	the issue of shares on capitalisation of the Company’s profits and/or reserves;
<b>“certificated ordinary shares”</b>	Afrimat ordinary shares represented by a share certificate or other physical document of title, which have not been surrendered for dematerialisation;
<b>“certificated shareholders”</b>	holders of certificated ordinary shares;
<b>“circular”</b>	this circular, dated 4 February 2010, including the notice of general meeting and form of proxy;
<b>“CSDP”</b>	Central Securities Depository Participant;
<b>“dematerialised shareholders”</b>	shareholders who hold Afrimat shares which have been dematerialised;
<b>“dematerialised”</b> or <b>“dematerialisation”</b>	the process by which shares held by certificated shareholders are converted to or held in an electronic form as uncertificated securities and recorded in a sub-register of securities holders maintained by a CSDP;
<b>“Directors”</b>	the Board of Directors for the time being of the Company or any committee thereof to or upon whom the powers of the Directors in respect of the Incentive Scheme or the BEE Scheme are delegated or are conferred in terms of the Company’s articles of association;
<b>“Employee”</b>	anyone employed in a permanent capacity by the Company or any of its subsidiaries who is entitled, in terms of the Incentive Scheme Deed or the BEE Deed, to participate in the Incentive Scheme or the BEE Scheme, as the context requires;
<b>“Funding SPV”</b>	such lawfully incorporated limited liability private or public companies as may be established from time to time by the BEE Trust, the entire ordinary share capital of which shall be held by the BEE Trust and which shall be established solely for the purposes of raising loan and/or preference share financing for the purposes of funding the acquisition of Shares by the BEE Trust, indirectly through such Funding SPV for the purposes of the BEE Scheme;
<b>“general meeting”</b>	the general meeting of Afrimat shareholders to be held at The Cedar Conference Room, Poplars Restaurant, Race Course Road, Durbanville at 14:00 on Wednesday, 24 February 2010, or any adjournment thereof;
<b>“Group”</b>	the Company and all its subsidiaries;
<b>“Incentive Scheme”</b>	the scheme set out in the Incentive Scheme Deed;
<b>“Incentive Scheme Deed”</b>	the trust deed of the Incentive Scheme Trust;
<b>“Incentive Scheme Offer”</b>	an Offer made under the Incentive Scheme to an Incentive Scheme Offeree to purchase Shares from the Incentive Scheme Trust;
<b>“Incentive Scheme Offeree”</b>	an Employee nominated by the Directors in terms of the provisions of the Incentive Scheme to receive an Incentive Scheme Offer;
<b>“Incentive Scheme Options”</b>	an option granted to a grantee in terms of the Incentive Scheme;
<b>“Incentive Scheme Participant”</b>	an Incentive Scheme Offeree who has accepted an Incentive Scheme Offer and, where required by the context, his heirs, executors, administrators or trustees and shall include his family trusts, family companies or family close corporations;

<b>“Incentive Scheme Trust”</b>	the Afrimat Share Incentive Trust, being the trust constituted in terms of the Incentive Scheme Deed, a trust registered with the Master of the High Court under IT13766/06;
<b>“Initial BEE Trust Deed”</b>	the trust deed in terms of which the BEE Trust was created, which trust deed was concluded during 2006;
<b>“JSE”</b>	JSE Limited (Registration number 2005/022939/06), a limited liability public company incorporated in South Africa, licensed to operate an exchange under the Securities Services Act;
<b>“JSE Listings Requirements”</b>	the Listings Requirements of the JSE;
<b>“Record Date”</b>	the close of business on the day the register of the Company will be closed to determine entitlement to participate in a Rights Issue or Capitalisation Issue, as the case may be;
<b>“Rights Issue”</b>	the offer of any securities of the Company or of any other Group Company to all shareholders of the Company <i>pro rata</i> to their holdings at the Record Date;
<b>“Rules”</b>	the rules of the BEE Scheme, as formulated by the BEE Trustees from time to time;
<b>“Scheme Allocation”</b>	the maximum number of Shares that may be utilised for the purposes of the Incentive Scheme and the BEE Scheme;
<b>“Securities Services Act”</b>	the Securities Services Act, 36 of 2004;
<b>“SENS”</b>	the Securities Exchange News Service of the JSE;
<b>“Share”</b>	an Ordinary Share in the capital of the Company;
<b>“South Africa”</b>	the Republic of South Africa; and
<b>“Unit”</b>	a unit allocated by the BEE Trust to a BEE Participant, in terms of the BEE Scheme.



(Incorporated in the Republic of South Africa)  
(Registration number 2006/022534/06)  
Share code: AFT ISIN: ZAE000086302

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## **CIRCULAR TO AFRIMAT SHAREHOLDERS**

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### **1. INTRODUCTION**

The purpose of this circular is to provide Afrimat shareholders with relevant information regarding the Addendum, the BEE Deed and to convene a general meeting at The Cedar Conference Room, Poplars Restaurant, Race Course Road, Durbanville at 14:00 on Wednesday, 24 February 2010, at which the shareholders will be requested to vote on the ordinary resolutions required to implement the Addendum and the BEE Deed.

### **2. THE ADDENDUM TO THE TRUST DEED OF THE AFRIMAT SHARE INCENTIVE TRUST**

#### **2.1 Overview**

The provisions of Schedule 14 of the JSE Listings Requirements were amended effective 15 October 2008 and as a result of such amendments it has become necessary to amend certain provisions of the Incentive Scheme Deed. The JSE Listings Requirements dictate that all issuers are required to amend existing schemes to ensure compliance with Schedule 14 of the JSE Listings Requirements prior to 1 January 2011.

Furthermore, it has also become necessary to increase the limit on the aggregate number of Shares that may be utilised for purposes of the Incentive Scheme Trust and the BEE Trust under and in terms of each applicable share scheme.

The amendments to the Incentive Scheme Deed contained in the Addendum will not affect the rights of any Participants that are holders of Shares in terms of the Incentive Scheme and/or to whom Incentive Scheme Options were granted prior to the implementation of the Addendum.

#### **2.2 Principle amendments**

2.2.1 The maximum number of Shares that may, in the aggregate, be utilised as Shares for the purposes of the Incentive Scheme and the BEE Scheme shall not exceed 60 000 000 (sixty million) Shares, constituting 41.9% of the issued ordinary share capital of the Company. Previously, the maximum was limited to 20% of the issued ordinary share capital of the Company.

2.2.2 In accordance with Schedule 14 of the JSE Listings Requirements the limit as detailed in paragraph 2.2.1 above shall be adjusted with the consent of the JSE, in a manner adjudged to be fair and reasonable by the Auditors or other independent advisors acceptable to the JSE, as a result of the following:

- the sub-division or consolidation of Shares; or
- the issue of additional Shares whether by way of a capitalisation of the Company's profits and/or reserves or a Rights Issue.



- 2.2.3 The maximum number of Shares that any one Incentive Scheme Offeree shall be entitled to accept in terms of the Incentive Scheme Trust shall not exceed 7 000 000 (seven million) Shares, constituting 4.9% of the issued ordinary share capital of the Company. Previously, the maximum was limited to 5% of the issued ordinary share capital of the Company.
- 2.2.4 In order to comply with the changed requirements of Schedule 14 of the JSE Listings Requirements the Incentive Scheme Deed has been amended to provide:
- 2.2.4.1 that in the event of an adjustment on re-organisation of the Company or its share capital, the Auditors are required to confirm to the JSE in writing that any adjustments made with reference to the limit set out in paragraph 2.2.3 above are in accordance with the provisions of the Scheme;
- 2.2.4.2 that should it be proposed that control of the Company pass to another person or company as a result of a take-over or which makes provision for Participants in respect of whom Options have been granted to acquire Shares, to be granted an Option in respect of Shares to be issued by such other person or in such other company on terms that are in the opinion of the Auditors not less favourable than those on which the grantees are entitled to acquire Scheme and Capitalisation Shares in terms of such Options, they shall be deemed to have been granted such Options to acquire such Shares in such other companies on such terms and the original Options shall *ipso facto* lapse;
- 2.2.4.3 for the addition of the following to the list of matters the amendment of which require the approval of the shareholders of the Company in general meeting:
- the basis upon which Offers are made;
  - the treatment of Options (vested and unvested), in instances of mergers, take-overs or corporate actions; and
  - the rights of Participants who leave the employment of the Company, whether by termination, resignation, retirement or death.

### **3. THE AMENDED AND RESTATED TRUST DEED OF THE AFRIMAT BEE TRUST**

#### **3.1 Overview**

The BEE Trust was established during 2006 for the purposes of operating as a BEE scheme for the benefit of Afrimat's Black Employees with the objective of assisting in the achievement of the Company's BEE objectives. The Company is proposing the amendment of the Initial BEE Trust Deed through the introduction of the BEE Deed, thereby allowing for the widening of the pool of eligible Participants under the BEE Scheme and for the establishment of Funding SPVs under the Scheme. The principle features of the BEE Deed are detailed below.

#### **3.2 Participants**

The BEE Scheme is for the Benefit of Employees of which at least 80% shall be Black People.

#### **3.3 Shares available for the BEE Scheme**

##### **3.3.1 Company Scheme Limits**

The maximum number of Shares that may, in the aggregate, be utilised as Shares for the purposes of the BEE Scheme and the Incentive Scheme shall not exceed 60 000 000 (sixty million) Shares.

##### **3.3.2 Individual limit**

The maximum number of Shares in respect whereof any one BEE Offeree shall be entitled to accept a BEE Offer shall not exceed 1 500 000 (one million five hundred thousand) Shares constituting 1% of the issued ordinary share capital of the Company.

### **3.3.3 Adjustment of limits**

The limits stated in paragraphs 3.3.1 and 3.3.2 above shall be adjusted with the consent of the JSE and the approval of the Company in general meeting with 75% of the shareholders voting in favour of the ordinary resolution. Furthermore, the Auditors or other independent advisors acceptable to the JSE must certify that any adjustment, in their opinion, must be fair and reasonable should such adjustment arise from:

- the sub-division or consolidation of Shares; or
- the issue of additional Shares whether by way of a capitalisation of the Company's profits and/or reserves or a Rights Issue.

### **3.4 The BEE Trustees**

3.4.1 The BEE Trustees are empowered to acquire Shares for purposes of the BEE Scheme or to purchase Shares from the shareholders of the Company, directly or indirectly, through a Funding SPV and, in the event that additional Shares are required after such purchase, to subscribe for Shares, directly or indirectly, through a Funding SPV, upon such terms as they in their discretion may deem fit.

3.4.2 No executive director of the Group or any director of the company who is entitled to participate under the BEE Scheme may become a BEE Trustee.

3.4.3 No BEE Participant under the BEE Scheme may become a BEE Trustee.

### **3.5 BEE Offer**

3.5.1 The Directors, in their sole discretion, subject to the provisions of the BEE Deed and the Act, may by resolution direct the BEE Trustees to offer Shares to BEE Offerees.

3.5.2 The BEE Offer shall be accompanied by a certified copy of the resolution referred to in paragraph 3.5.1 above and the BEE Trustees shall make an offer of Shares or Units, in terms of the Rules, to the BEE Offerees.

3.5.3 The full purchase price due to the BEE Trustees or a Funding SPV by a BEE Participant on account of his accepting a BEE Offer shall be paid as provided for in the Rules. While they are BEE Scheme Shares, such Shares shall participate in full in all dividends declared from time to time by the Company.

### **3.6 Adjustments on re-organisation of Company or share capital**

3.6.1 If the Company, at any time before any amount owing by a BEE Participant on any BEE Scheme Share has been paid in full:

3.6.1.1 is put into liquidation for the purpose of re-organisation;

3.6.1.2 is a party to a scheme of arrangement affecting the structure of its share capital;

3.6.1.3 ceases to retain a nominal value for its Shares;

3.6.1.4 reduces its capital;

3.6.1.5 splits or consolidates its Shares;

3.6.1.6 is a party to a re-organisation; or

3.6.1.7 buys back its shares in terms of a general offer to all shareholders,

the BEE Trustees must effect such adjustments to the purchase price payable by a BEE Participant on Scheme Shares or Units as the Auditors certify as being fair and reasonable ensuring that a BEE Participant is entitled to the same proportion of the equity capital as that to which he was previously entitled. The issue of equity securities as consideration for an acquisition, the issue of securities for cash, the issue of equity securities, and vendor consideration placings shall not require adjustment in terms of the above detailed provision.

- 3.6.2 The Auditors shall confirm to the JSE in writing that any such adjustments are in accordance with the provisions of the BEE Scheme.
- 3.6.3 If the Company is placed in liquidation other than for the purposes of reorganisation, the full amount owing by each BEE Participant in respect of any Shares or Options, as the case may be, shall immediately become due and payable. However, the BEE Trustees in consultation with the liquidators may release a BEE Participant from any balance owing by him to the BEE Trust.

### **3.7 Amending the BEE Deed**

No amendment of the BEE Deed in respect of the following matters shall be allowed unless such amendment has received the approval of the Company in general meeting and with 75% of the shareholders voting in favour of the ordinary resolution, namely:

- 3.7.1 the persons who may become Participants under the BEE Scheme;
- 3.7.2 the total number of the securities which may be utilised for purposes of the BEE Scheme;
- 3.7.3 a fixed maximum entitlement for any one BEE Participant;
- 3.7.4 the amount, if any, payable on application or acceptance;
- 3.7.5 the basis to determine the purchase or subscription price;
- 3.7.6 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;
- 3.7.7 the procedure to be adopted on termination of employment or retirement of a BEE Participant;
- 3.7.8 the voting, dividend, transfer and other rights (including those arising on the liquidation of the Company) attaching to BEE Scheme Shares;
- 3.7.9 the basis upon which BEE Offers are made;
- 3.7.10 the treatment of BEE Options (vested and unvested), in instances of mergers, take-overs or corporate actions; and
- 3.7.11 the rights of BEE Participants who leave the employment of the Company whether by termination, resignation, retirement or death.

### **3.8 Disclosure in financial statements**

The Company shall disclose in its annual financial statements:

- 3.8.1 the number of Shares reserved for the BEE Scheme remaining unissued on the last day of each financial year;
- 3.8.2 the number of Shares issued by the BEE Trust to BEE Participants, which Shares still subject to the terms of the BEE Trust;
- 3.8.3 the number of Shares sold by the BEE Trust to BEE Participants during each financial year;
- 3.8.4 the number of Shares available for sale by the BEE Trustees to proposed BEE Participants; and
- 3.8.5 such other disclosures as may be required in terms of the rules of the JSE from time to time.

## **4. EXPERTS' CONSENTS**

The sponsor and corporate advisor, attorneys and transfer secretaries have consented in writing to act in the capacity stated and to their names being included in this circular and have not withdrawn their consents prior to publication of this circular.

## 5. GENERAL MEETING

A general meeting will be held at The Cedar Conference Room, Poplars Restaurant, Race Course Road, Durbanville at 14:00 on Wednesday, 24 February 2010. The purpose of the meeting is to consider and if deemed fit, to pass, with or without modification, the ordinary resolutions necessary to approve and implement the Addendum and the BEE Deed. A notice convening the general meeting is attached hereto and forms part of this circular.

A form of proxy for use by shareholders who have not dematerialised their shares and own-name dematerialised shareholders, who are unable to attend the general meeting, is attached to and forms part of this circular. Duly completed forms of proxy must be lodged with the transfer secretaries by no later than 14:00 on Monday, 22 February 2010.

Shareholders who have dematerialised their shares, other than own name dematerialised shareholders, with a CSDP or broker must advise their CSDP or broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker. Shareholders who have dematerialised their shares must **not** return the attached form of proxy to the transfer secretaries. Their instructions must be sent to their CSDP or broker for action.

## 6. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by shareholders during normal business hours from Thursday, 4 February 2010 to Wednesday, 24 February 2010 at the registered office of Afrimat:

- signed copy of this circular;
- the BEE Deed;
- the Initial BEE Trust Deed;
- the Addendum;
- The Incentive Scheme Deed; and
- signed copies of written consents of the sponsor and corporate advisor, the attorneys and transfer secretaries named in this circular to act in those capacities.

**Signed at Cape Town by Andries Johannes van Heerden on his own behalf and on behalf of all the directors of the Company, he being duly authorised in terms of a power of attorney granted to him by such directors.**



(Incorporated in the Republic of South Africa)  
(Registration number 2006/022534/06)  
Share code: AFT ISIN: ZAE000086302  
(“**Afrimat**” or “the **Company**”)

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## NOTICE OF GENERAL MEETING

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Notice is hereby given that a general meeting of Afrimat shareholders will be held at The Cedar Conference Room, Poplars Restaurant, Race Course Road, Durbanville at 14:00 on Wednesday, 24 February 2010, to transact the following business:

To consider and, if thought fit, pass the following ordinary resolutions with or without modification:

### Ordinary resolution 1

“Resolved that the Addendum to the trust deed of the Afrimat Share Incentive Trust, the salient terms of which are detailed in paragraph 2 of this circular, be and is hereby approved.”

In terms of the JSE Listings Requirements, 75% of the votes cast by shareholders present or represented by proxy at the general meeting must be cast in favour of ordinary resolution 1 in order for it to be approved.

### Ordinary resolution 2

“Resolved that the amended and restated trust deed of the Afrimat BEE Trust, the salient terms of which are detailed in paragraph 3 of this circular, be and is hereby approved.”

In terms of the JSE Listings Requirements, 75% of the votes cast by shareholders present or represented by proxy at the general meeting must be cast in favour of ordinary resolution 2 in order for it to be approved.

## VOTING AND PROXIES

- Every person present and entitled to vote at the general meeting as a member or as a proxy or as a representative of a body corporate shall, on a show of hands, have one vote only, irrespective of the number of shares such person holds or represents, but in the event of a poll, a member holding shares will be entitled to one vote per Share held.
- A member entitled to attend, speak and vote at the general meeting is entitled to appoint a proxy (who need not be a member of Afrimat), to attend, speak and vote in his stead.
- Members which are companies or other bodies corporate may, in terms of section 188(1) of the Act, by resolution of its directors or other governing body, authorise any person to act as its representative at the general meeting.
- Shareholders who have not dematerialised their Shares and own name dematerialised shareholders who are unable to attend the general meeting and wish to be represented thereat, must complete the attached form of proxy in accordance with the instructions therein and return it to the transfer secretaries to be received by no later than 14:00 on Monday, 22 February 2010.
- Shareholders who have dematerialised their shares with a CSDP or broker, other than by own name registration, must advise their CSDP or broker as to what action they wish to take. This must be done by the cut-off time required in terms of the agreement entered into between them and their CSDP or broker. Shareholders who have dematerialised their Shares must **not** return the form of proxy to the transfer secretaries, Computershare Investor Services (Pty) Limited. Their instructions must be sent to their CSDP or broker for action.

- Should shareholders who have dematerialised their shares with a CSDP wish to attend the general meeting in person, they must obtain the necessary Letter of Representation from their CSDP or broker.

By order of the Board

**Routledge Modise Incorporated practising as Eversheds**

*Company secretary*

**Registered office**

Tyger Valley Office Park No. 2  
Corner Willie van Schoor Avenue and  
Old Oak Road  
Tyger Valley, 7530  
(PO Box 5278, Tyger Valley, 7536)

**Transfer secretaries**

Computershare Investor Services (Pty) Limited  
Ground Floor  
70 Marshall Street  
Johannesburg, 2001  
(PO Box 61051, Marshalltown, 2107)



(Incorporated in the Republic of South Africa)
(Registration number 2006/022534/06)
Share code: AFT ISIN: ZAE000086302
("Afrimat" or "the Company")

FORM OF PROXY

For use only by certificated shareholders and dematerialised shareholders with own name registration, at the general meeting of Afrimat to be held at The Cedar Conference Room, Poplars Restaurant, Race Course Road, Durbanville at 14:00 on Wednesday, 24 February 2010.

Shareholders who have dematerialised their shares, other than by own name registration, with a Central Securities Depository Participant ("CSDP") or broker must advise their CSDP or broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker. Shareholders who have dematerialised their shares must not return this form of proxy to the transfer secretaries. Their instructions must be sent to their CSDP or broker for action.

I/We (please print names in full)

of (please print address)

being a shareholder of Afrimat, holding [ ] ordinary shares in Afrimat, hereby appoint:

- 1. or failing him/her,
2. or failing him/her,
3. the Chairperson of the general meeting,

as my/our proxy to attend, speak and vote on my/our behalf at the general meeting for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions to be proposed thereat and at each adjournment thereof, and to vote for and/or against such resolutions in respect of the Shares registered in my/our name/s in accordance with the following instructions:

Table with 4 columns: Resolution description, In favour of, Against, Abstain. Rows include Ordinary resolution 1 (Approve the Addendum to the trust deed of the Afrimat Share Incentive Trust) and Ordinary resolution 2 (Approve the restated trust deed of the Afrimat BEE Trust).

Signed this day of 2010

Signature of member(s)

Assisted by (where applicable)

Please read the notes and instruction on the reverse hereof.

**Notes:**

1. A member entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a member of Afrimat.
2. Every person present and entitled to vote at the general meeting as a member or as a proxy or as a representative of a body corporate shall, on a show of hands, have one vote only, irrespective of the number of Afrimat shares such person holds or represents, but in the event of a poll, a member holding shares will be entitled to one vote per share held.
3. Please insert the relevant number of Afrimat shares and indicate with an "X" in the appropriate spaces on the face hereof, how you wish your votes to be cast. If you return this form of proxy duly signed without any specific directions, the proxy will vote or abstain from voting at his/her discretion.

**Instructions on signing and lodging this form of proxy:**

1. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alteration or correction must be initialled by the authorised signatory/ies.
2. The Chairperson of the general meeting shall be entitled to decline to accept the authority of a person signing this form of proxy:
  - a. under a power of attorney; and/or
  - b. on behalf of a group,unless that person's power of attorney or authority is deposited with the transfer secretaries of the Company by no later than 14:00 on Monday, 22 February 2010.
3. You may insert the name of any person(s) whom you wish to appoint as your proxy in the blank space(s) provided for that purpose.
4. When there are joint holders of Afrimat shares, all joint shareholders must sign this form of proxy.
5. The completion and lodging of this form of proxy will not preclude the member who grants this proxy from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.
6. 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 unless previously recorded by the transfer secretaries of Afrimat or waived by the Chairperson of the general meeting. The Chairperson of the general meeting may reject any form of proxy not completed and/or received in accordance with these notes, instructions or with the articles of association of Afrimat.
7. Completed forms of proxy must be returned to the transfer secretaries, Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by 14:00 on Monday, 22 February 2010.





