

Information to shareholders

Restructuring and rationale for value unlock strategy

The Board of Mvelaphanda Group announced on 3 September 2009 that it would undertake a realisation and/or unbundling strategy in order to unlock value for shareholders, thereby removing the significant discount to the intrinsic NAV at which the shares trade. In addition to the discount to intrinsic NAV at which the shares trade the current corporate structure is not appropriate to take advantage of the changed BEE landscape.

Implementation

Board

The Board is being reduced from ten to five members made up of four non-executive directors, of which three will be independent, a non-independent director and one executive director. Mikki Xayiya, the current Executive Chairman, will be the non-executive Chairman with Ernst Röth being the sole Executive Director. The three independent non-executives who will remain on the Board are Bryan Hopkins, Kuseni Dlamini and Oyama Mabandla.

Messrs Carl Stein, David Moshapalo, Ramesh Patel, Ms Mpumi Mpofu and Ms Yolanda Cuba will resign from the board of directors with effect from 31 December 2009.

The Board has satisfied itself that the restructured board size is adequate to undertake its role as required by the Companies Act and the King Code on Corporate Governance.

In line with the JSE Listing Requirements, which requires each issuer to have a financial director as an executive, Ernst Röth will be seconded by the management company to perform the duties of Financial Director. He will also fill the role of Company Secretary.

Rationale of the management company

As the company will not be taking on any new strategic investments, all employment contracts with the employees in the investment division have been terminated while the employees in the operations and administration divisions have been redeployed to Mvelaserve, which has been operating independently from 1 July 2009. However, in order to implement the realisation strategy, the Board recognises the need to have persons who are familiar with the Group's investments, able to implement the realisation strategy and monitor the on-going post-investment management of the investments. For this reason a management company is to be formed to manage the day-to-day affairs of the company and more importantly, to unlock the value for shareholders in the most optimal manner.

In order to incentivise the management company, a participation fee structure has been agreed based on the successful implementation of the strategy. This is intended to ensure that the interests of shareholders are aligned with that of the management company. A voluntary fairness opinion has been received from an independent expert in this regard.

Salient terms of the management agreement

Subject	The management company will be charged with managing the day-to-day workings and administration of Mvelaphanda Group.
Reporting	The management company will report to the Board on a quarterly basis and at any other time as may be requested by the Board.
Excluded costs	All costs not relating to the administration of Mvelaphanda Group, including all costs to external parties (listing fees, audit fees and advisory fees).
Limits of authority	The management company cannot bind the company to any cost in excess of R5 million per annum without the prior consent of the Board of Mvelaphanda Group.
Management fee	R6,5 million per annum (excluding VAT) payable in four equal payments at the beginning of each quarter.
Notice period	Any party can terminate the agreement with six months' written notice after the first year of operation.
Participants	Mikki Xayiya, Yolanda Cuba and Ernst Röth.
Participation fee	The participation fee excludes the investment in Absa and is based on a participation percentage of 15% applied to the excess of the proceeds above the hurdle share price. Should the Manco achieve between 90% and 100% of the intrinsic value, the participation fee will range from R20 million to R80 million. Should the price achieved be above 100%, the participation fee will be capped at R95 million.
Hurdle	The hurdle share price is the future value of the closing share price as at 3 September 2009, (excluding the investment in Absa), at the company's weighted average cost of capital, compounded at 12% over a period of two years.

Notice to shareholders

Notice is hereby given that the 14th annual general meeting of shareholders of Mvelaphanda Group will be held in the Executive Boardroom, 28 Eddington Crescent, Highveld Techno Park, Centurion at 10:00 on Wednesday 25 November 2009, to conduct the following business:

1. To receive and consider the annual financial statements for the year ended 30 June 2009.
2. To approve the remuneration of the directors for the year ended 30 June 2009.
3. To appoint a firm of external auditors for the Company, the designated audit partner and to note the remuneration of the external auditors as determined by the audit committee of the board.

The audit committee of the board has nominated PKF (Jhb) Inc. for the reappointment as independent auditors and recommends Paul Badrick for appointment as the designated audit partner.

Particulars of the auditors' remuneration can be found in note 18.1 of the annual financial statements.

4. To re-elect the directors who remain on the board of directors after the restructuring but who retire in accordance with the provisions of the Company's articles of association.

In terms of clause 53.2 of the articles of association, Messrs Kuseni Dlamini, Oyama Mabandla and Ernst Röth retire at the forthcoming annual general meeting, but, being eligible, offer themselves for re-election:

Kuseni Dlamini Independent non-executive director

MPhil (Oxford)

Kuseni Dlamini is the head of Old Mutual South Africa after retiring as head Anglo American South Africa. He was Executive Chairman of Richards Bay Coal Terminal between 2005 and 2008. Kuseni previously worked for De Beers in South Africa and at its London office, and for AngloGold Ashanti's corporate office in Johannesburg. After graduating cum laude with a BA (Honours) degree from Natal University in Durban, he went to Oxford as a Rhodes scholar, where he read for his MPhil degree. In March 2008 Kuseni was named a Young Global Leader by the World Economic Forum (WEF).

Kuseni is the Chairman of the Board of SANParks and a member of the National Advisory Council on Innovation which advises the Minister of Science and Technology. He is also a non-executive director of Anglo Platinum, Massmart and Chairman of Anglo Operations Limited. Kuseni was recently appointed Adjunct Professor at the Wits Business School where he is also a member of the Advisory Board.

Oyama Mabandla Independent non-executive director

BA (University of California), Juris Doctor (Columbia University)

Oyama Mabandla is the immediate past Chairman of Vodacom, is a member of the JP Morgan Advisory Board and Executive Chairman of the Langa Group, an investment holding company. Prior to joining South African Airways, he held various positions within the legal and investment banking professions.

Ernst Röth Chief Financial Officer

BCom (Stell), BCompt (Hons) (Unisa), CA(SA), Post-graduate, Certificate in Advance Tax (Unisa)

Ernst Röth is the Chief Financial Officer of Mvelaphanda Group since 5 September 2007 and was appointed to the Board as Financial Director on 11 November 2007. Prior to joining Mvelaphanda Group he held various positions with companies in the banking, financial services/consulting and biochemical industries, and also worked in the Office of the Auditor General of South Africa.

5. To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolution:

Ordinary resolution number 1

"Resolved that the authorised but unissued convertible perpetual cumulative preference shares ("preference shares") in the share capital of the Company be placed under the control of the directors of the Company in terms of sections 221 and 222 of the Companies Act 1973 (Act 61 of 1973) ("the Companies Act"), as amended, until the next annual general meeting, to enable them to allot and issue such preference shares at their discretion, subject to the provisions of the Companies Act and the JSE Limited Listings Requirements."

This ordinary resolution number 1 is to be voted on by the ordinary shareholders and option-holding shareholders in the Company.

6. To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolution:

Ordinary resolution number 2

"Resolved that all the ordinary shares required for the purpose of carrying out the terms of the Mvelaphanda Group Share Incentive Scheme ("the Scheme") be and are hereby placed under the control of the directors, subject to sections 221 and 222 of the Companies Act, 1973, to allot and issue such shares in their discretion on such terms and conditions as and when they deem it fit to do so."

Reason and effect

The approval will allow the board to allot and issue new shares or treasury shares to meet the obligations under the Scheme up to the allowable maximum provided in terms of the Scheme.

This ordinary resolution number 2 is to be voted on by the ordinary shareholders, option-holding shareholders and the holders of preference shares ("preference shareholders") in the Company.

Notice to shareholders continued

7. To consider and, if deemed fit, to pass, with or without modification, the following special resolution:

Special resolution number 1

"Resolved that the directors of the Company be and are hereby authorised by way of a general approval pursuant, *inter alia*, to articles 13A and 13B of the Company's articles of association to facilitate, *inter alia*, the acquisition by Mvelaphanda Group or a subsidiary of Mvelaphanda Group (collectively "the Group"), from time to time, of the issued ordinary shares of Mvelaphanda Group upon such terms and conditions and in such numbers as the directors of the Company may from time to time decide, but subject to the provisions of the Companies Act 1973 (Act 61 of 1973) ("the Companies Act"), as amended, and the JSE Limited ("JSE") Listings Requirements from time to time, which general approval shall endure until the next annual general meeting of Mvelaphanda Group; provided that it shall not extend beyond 15 months from the date of the annual general meeting at which this special resolution is passed, it being recorded that the JSE Listings Requirements currently require, *inter alia*, in relation to a general approval of shareholders, that:

- » acquisitions of securities be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between Mvelaphanda Group and the counterparty;
- » acquisitions in any one financial year are limited to a maximum of 20% of Mvelaphanda Group's issued share capital of the relevant class; provided that acquisitions by subsidiaries of Mvelaphanda Group are limited to a maximum of 10% of Mvelaphanda Group's issued share capital of the relevant class;
- » an acquisition may not be made at a price more than 10% above the weighted average of the market value for the shares in question for the five business days immediately preceding the date on which the acquisition is agreed;
- » a paid press announcement containing details of such acquisitions must be published as soon as Mvelaphanda Group and/or any of its subsidiaries has/have acquired shares constituting, on a cumulative basis, 3% of the number of shares of the relevant class in issue at the date of the annual general meeting at which this special resolution is passed ("initial number") and for each 3% in aggregate of the initial number acquired thereafter;
- » at any point in time, the Company may only appoint one agent to effect any repurchases;
- » such repurchases may only be effected if, thereafter, the Company still complies with the spread requirements of the JSE; and
- » no repurchase may take place during prohibited periods as stipulated by the JSE Listings Requirements unless a repurchase programme is in place, where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period."

Reason and effect

The reason for this special resolution is to obtain, and the effect thereof is to grant the Company, a general approval in terms of the Companies Act for the acquisition by the Company, or a subsidiary of the Company, of ordinary shares in the capital of the Company, which general approval shall be valid until the next annual general meeting of the Company; provided that the general authority shall not extend beyond 15 months from the date of the annual general meeting at which this special resolution is passed.

The board of directors ("board") of Mvelaphanda Group, as at the date of this notice, has previously stated its intention to purchase ordinary shares in terms of the general authority granted at the annual general meeting held on 10 November 2008. It is, however, proposed, and the board believes it to be in the best interests of Mvelaphanda Group, that shareholders pass a special resolution granting Mvelaphanda Group and its subsidiaries a further general authority to acquire Mvelaphanda Group shares. Such general authority will provide Mvelaphanda Group and its subsidiaries with the flexibility, subject to the requirements of the Companies Act and the JSE, to purchase ordinary shares should it be in the interests of Mvelaphanda Group and/or its subsidiaries at any time while the general authority subsists.

After considering the effect of a purchase of the maximum number of shares which may be purchased, and subject to any significant changes in market conditions, the board is satisfied that for a period of 12 months from the date of this notice:

- » the Company and the Group will be able, in the ordinary course of business, to pay their debts as they become due;
- » the assets of the Company and the Group, measured in accordance with the accounting policies used in the latest audited annual financial statements, will be in excess of the liabilities of the Company and the Group;
- » the issued share capital and reserves of the Company and the Group are adequate for their ordinary business purposes; and
- » the working capital of the Company and the Group will be adequate for a period of 12 months from the date of this notice to shareholders.

This special resolution number 1 is to be voted on by the ordinary shareholders, option-holding shareholders and the holders of preference shares ("preference shareholders") in the Company.

8. To consider and, if deemed fit, to pass, with or without modification, the following special resolution:

Special resolution number 2

"Resolved that the directors of the Company be and are hereby authorised by way of a general approval pursuant, *inter alia*, to articles 13A and 13B of the Company's articles of association to facilitate, *inter alia*, the acquisition by Mvelaphanda Group or a subsidiary of Mvelaphanda Group (collectively "the Group"), from time to time, of the issued convertible perpetual cumulative preference shares of Mvelaphanda Group upon such terms and conditions and in such numbers as the directors of the Company may from time to time decide, but subject to the provisions of the Companies Act 1973 (Act 61 of 1973) ("the Companies Act"),

Notice to shareholders continued

as amended, and the JSE Limited ("JSE") Listings Requirements from time to time, which general approval shall endure until the next annual general meeting of Mvelaphanda Group; provided that it shall not extend beyond 15 months from the date of the annual general meeting at which this special resolution is passed, it being recorded that the JSE Listings Requirements currently require, *inter alia*, in relation to a general approval of shareholders, that:

- » acquisitions of securities be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between Mvelaphanda Group and the counterparty;
- » acquisitions in any one financial year are limited to a maximum of 20% of Mvelaphanda Group's issued share capital of the relevant class; provided that acquisitions by subsidiaries of Mvelaphanda Group are limited to a maximum of 10% of Mvelaphanda Group's issued share capital of the relevant class;
- » an acquisition may not be made at a price more than 10% above the weighted average of the market value for the shares in question for the five business days immediately preceding the date on which the acquisition is agreed;
- » a paid press announcement containing details of such acquisitions must be published as soon as Mvelaphanda Group and/or any of its subsidiaries has/have acquired shares constituting, on a cumulative basis, 3% of the number of shares of the relevant class in issue at the date of the annual general meeting at which this special resolution is passed ("initial number") and for each 3% in aggregate of the initial number acquired thereafter;
- » at any point in time, the Company may only appoint one agent to effect any repurchases;
- » such repurchases may only be effected if, thereafter, the Company still complies with the spread requirements of the JSE; and
- » no repurchase may take place during prohibited periods as stipulated by the JSE Listings Requirements unless a repurchase programme is in place, where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period."

Reason and effect

The reason for this special resolution is to obtain, and the effect thereof is to grant the Company, a general approval in terms of the Companies Act for the acquisition by the Company, or a subsidiary of the Company, of convertible perpetual cumulative preference shares in the capital of the Company, which general approval shall be valid until the next annual general meeting of the Company; provided that the general authority shall not extend beyond 15 months from the date of the annual general meeting at which this special resolution is passed.

After considering the effect of a purchase of the maximum number of shares which may be purchased, and subject to any significant changes in market conditions, the board is satisfied that for a period of 12 months from the date of this notice:

- » the Company and the Group will be able, in the ordinary course of business, to pay their debts as they become due;
- » the assets of the Company and the Group, measured in accordance with the accounting policies used in the latest audited annual financial statements, will be in excess of the liabilities of the Company and the Group;
- » the issued share capital and reserves of the Company and the Group are adequate for their ordinary business purposes; and
- » the working capital of the Company and the Group will be adequate for a period of 12 months from the date of this notice to shareholders.

This special resolution number 2 is to be voted on by the ordinary shareholders, option-holding shareholders and the holders of preference shares ("preference shareholders") in the Company.

9. To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolution:

Ordinary resolution number 3

"Resolved that the directors of the Company shall be entitled at their discretion to pay, by way of a *pro rata* reduction of share capital or share premium, in *lieu* of an ordinary dividend, an amount equal to the amount which the directors would have declared and paid out of profits in respect of the Company's interim and final dividends for the financial year ended 30 June 2009."

In terms of paragraphs 5.86 of the JSE Limited ("JSE") Listings Requirements, any such general payment will not exceed 20% of the Company's issued share capital, including reserves but excluding minority interests, and revaluations of assets and intangible assets that are not supported by a valuation by an independent professional expert acceptable to the JSE prepared within the last six months, in any one financial year, measured as at the beginning of such financial year.

This general authority shall be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of the passing of this ordinary resolution number 3. Before effecting any general payment contemplated by this ordinary resolution number 3, the directors will consider the effect of the general payment and will ensure that for a period of 12 (twelve) months after the date of the notice of the general payment to be made:

- » the Company and the Group will be able, in the ordinary course of business, to pay their debts;
- » the assets of the Company and the Group, measured in accordance with the accounting policies used in the latest audited annual financial statements, will be in excess of the liabilities of the Company and the Group;
- » the issued share capital and reserves of the Company and the Group are adequate for their ordinary business purposes; and
- » the working capital of the Company and the Group will be adequate for a period of 12 months from the date of this notice to shareholders.

Notice to shareholders continued

This ordinary resolution number 3 is to be voted on by the ordinary shareholders, the option-holding shareholders and the preference shareholders.

10. To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolution:

Ordinary resolution number 4

"Resolved that any director of the Company be and is hereby authorised to do all such things, sign all such documents and take all such actions as are necessary to give effect to the special and ordinary resolutions proposed at the annual general meeting at which this ordinary resolution is proposed, if it/they is/are passed (in the case of ordinary and special resolutions) and registered by the Registrar of Companies (in the case of special resolutions)."

This ordinary resolution number 4 is to be voted on by ordinary shareholders and option-holding shareholders.

11. To transact such other business as may be transacted at an annual general meeting of shareholders.

Disclosure in terms of the JSE Limited ("JSE") Listings Requirements

For the purposes of considering special resolutions numbers 1 and 2, ordinary resolution number 3, and in compliance with sections 11.26(b) and 11.30(b) of the JSE Listings Requirements, the information listed below has been included in the annual report, in which this notice to shareholders is included, at the pages indicated:

- » Directors and management (pages 16 and 17)
- » Major shareholders (page 117)
- » Material change (page 117)
- » Directors' interests in securities (page 62)
- » Share capital of the Company (page 90)
- » Litigation (page 105)

No acquisitions shall be effected in terms of special resolutions numbers 1 and 2 unless the sponsor of Mvelaphanda Group provides a letter to the JSE in respect of the directors' working capital statement.

The directors whose names appear on page 58 of the annual report, collectively and individually accept full responsibility for the accuracy of the information set out above for the purposes of considering special resolution number 1 and ordinary resolution number 3, and certify that, to the best of their knowledge and belief, there are no facts which have been omitted which will make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the information referred to above contains all the information required by law and the JSE Listings Requirements.

In terms of the JSE Listings Requirements, Mvelaphanda Group shares held by the Share Incentive Scheme will not be entitled to vote at the annual general meeting.

PROXIES

Shareholders who have not dematerialised their ordinary shares, and/or redeemable option-holdings shares, and/or preference shares (collectively "shares") or who have dematerialised their shares with "own name" registration, are entitled to attend and vote at the annual general meeting and may, in terms of section 189 of the Companies Act 1973 (Act 61 of 1973), as amended, appoint a proxy or proxies to attend the annual general meeting, speak and, on a poll, vote in their stead.

A proxy need not be a shareholder of the Company. A proxy form is enclosed but is also obtainable from the Company secretarial services department, Mvelaphanda Management Services (Proprietary) Limited, at the address set out under administration.

Proxies must be received by Computershare Investor Services (Proprietary) Limited by no later than 10:00 on Monday, 23 November 2009. Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their Central Securities Depository Participant or broker in the manner and time stipulated in the relevant agreement to furnish them with voting instructions and, in the event that they wish to attend the annual general meeting, to obtain the necessary authority to do so.

By order of the board

For: **Mvelaphanda Management Services (Proprietary) Limited**

Company Secretary

30 September 2009



FOR USE BY CERTIFICATED ORDINARY SHAREHOLDERS, "OWN NAME" DEMATERIALIZED ORDINARY SHAREHOLDERS, CERTIFICATED REDEEMABLE OPTION-HOLDING SHAREHOLDERS AND "OWN NAME" DEMATERIALIZED REDEEMABLE OPTION-HOLDING SHAREHOLDERS

Form of proxy

for use by ordinary shareholders and redeemable option-holding shareholders for the 14th annual general meeting

I/We

(FULL NAME(S) IN BLOCK LETTERS)

of (address)

being a member/members of Mvelaphanda Group and entitled to

votes

do hereby appoint

or failing him/her

or failing him/her

the Chairman of the annual general meeting as my/our proxy to act for me/us at the annual general meeting of the Company to be held at 10:00 on Wednesday, 25 November 2009, and at any adjournment thereof, in the Executive Boardroom, 28 Eddington Crescent, Highveld Techno Park, Centurion and to vote for me/us on my/our behalf in respect of the undermentioned resolutions in accordance with the following instructions (see note 2):

	Number of votes (one vote per ordinary share and redeemable option-holding share)		
	For	Against	Abstain
1. Adoption of annual financial statements			
2. Approval of directors' remuneration			
3. Reappointment of auditors			
4. Election of directors –			
Mr K Dlamini			
Mr O Mabandla			
Mr E Roth			
5. Place unissued preference shares under the directors' control			
6. Place ordinary shares required for the purposes of carrying out the obligations of the Mvelaphanda Group Share Incentive Scheme under the directors' control			
7. Authorise Mvelaphanda Group or its subsidiaries to acquire ordinary shares			
8. Authorise Mvelaphanda Group or its subsidiaries to acquire preference shares			
9. Authorise reduction of share capital or share premium			
10. Authorise the directors to give effect to resolutions			
11. Transact such other business as may be transacted at the AGM			

Signed at

on

2009

Signature

Assisted by me

(WHERE APPLICABLE – SEE NOTE 7)

Please read the notes overleaf

Form of proxy continued

NOTES

Shareholders holding certificated ordinary shares, dematerialised ordinary shares registered in their own name, certificated redeemable option-holding shares and dematerialised redeemable option-holding shares registered in their own name

1. Only shareholders who hold certificated ordinary shares or redeemable option-holding shares and shareholders who have dematerialised their ordinary shares or redeemable option-holding shares with "own name" registrations may use this form of proxy.
2. Each shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of the Company) to attend, speak and, on a poll, vote in place of that shareholder at this annual general meeting, by inserting the name of the proxy or the names of two alternate proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at this annual general meeting will be entitled to act as the proxy to the exclusion of those whose names follow.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the Chairman of the annual general meeting, if he is the authorised proxy, to vote in favour of the resolutions at this annual general meeting, or any other proxy to vote or to abstain from voting at this annual general meeting, as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.
4. A shareholder or his/her proxy is not obliged to vote in respect of all the ordinary shares held or represented by him/her, but the total number of votes for or against the resolutions in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or his/her proxy is entitled.
5. Forms of proxy must be lodged and/or posted to the Company's transfer secretaries (Computershare Investor Services (Proprietary) Limited) at 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by the transfer secretaries by no later than 10:00 on Monday, 23 November 2009.
6. The completion and return of this form of proxy in accordance with paragraph 5 above will not preclude the relevant shareholder from attending this annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
7. A minor must be assisted by the minor's parent or guardian, unless the relevant documents establishing the minor's capacity are produced or have been registered by the Company.
8. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
9. This form of proxy must be signed by all joint shareholders. If more than one of those shareholders is present at this annual general meeting either in person or by proxy, the person whose name stands first in the register shall alone be entitled to vote.
10. 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 Company's transfer office or waived by the Chairman of this annual general meeting.
11. The Chairman of this annual general meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a member wishes to vote.

Shareholders holding dematerialised ordinary shares or dematerialised redeemable option-holding shares

1. Shareholders who have dematerialised their ordinary shares or redeemable option-holding shares through a Central Securities Depository Participant ("CSDP") or broker (except those shareholders who have elected to dematerialise their ordinary shares or redeemable option-holding shares in "own name" registrations) and all beneficial shareholders holding their ordinary shares or redeemable option-holding shares (dematerialised or certificated) through a nominee should provide such CSDP, broker or nominee with their voting instructions in sufficient time to allow them to advise the transfer secretaries of the Company of their voting instructions before the closing time referred to in paragraph 5 above.
2. All such shareholders wishing to attend the annual general meeting in person may do so only by requesting their CSDP, broker or nominee to issue the shareholder with a letter of representation in terms of the custody agreement. Such letter of representation must be lodged with the transfer secretaries before the closing time referred to in paragraph 5 above.



FOR USE BY CERTIFICATED PREFERENCE SHAREHOLDERS AND "OWN NAME" DEMATERIALISED PREFERENCE SHAREHOLDERS

Form of proxy

for use by preference shareholders for the 14th annual general meeting

I/We _____
 (FULL NAME(S) IN BLOCK LETTERS)
 of (address) _____

being a member/members of Mvelaphanda Group and entitled to _____ votes

do hereby appoint _____ or failing him/her

_____ or failing him/her

the Chairman of the annual general meeting as my/our proxy to act for me/us at the annual general meeting of the Company to be held at 10:00 on Wednesday, 25 November 2009, and at any adjournment thereof, in the Executive Boardroom, 28 Eddington Crescent, Highveld Techno Park, Centurion and to vote for me/us on my/our behalf in respect of the undermentioned resolutions in accordance with the following instructions (see note 2):

	Number of votes (one vote per preference share)		
	For	Against	Abstain
1. Place ordinary shares required for the purposes of carrying out the obligations of the Mvelaphanda Group Share Incentive Scheme under the directors' control			
2. Authorise Mvelaphanda Group or its subsidiaries to acquire ordinary shares			
3. Authorise Mvelaphanda Group or its subsidiaries to acquire preference shares			
4. Authorise reduction of share capital or share premium			

Signed at _____ on _____ 2009

Signature _____ Assisted by me _____
 (WHERE APPLICABLE – SEE NOTE 7)

Please read the notes overleaf

Form of proxy continued

NOTES

Shareholders holding certificated preference shares, dematerialised preference shares registered in their own name

1. Only shareholders who hold certificated preference shares and shareholders who have dematerialised their preference shares with "own name" registrations may use this form of proxy.
2. Each shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of the Company) to attend, speak and, on a poll, vote in place of that shareholder at this annual general meeting, by inserting the name of the proxy or the names of two alternate proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at this annual general meeting will be entitled to act as the proxy to the exclusion of those whose names follow.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the Chairman of the annual general meeting, if he is the authorised proxy, to vote in favour of the resolutions at this annual general meeting, or any other proxy to vote or to abstain from voting at this annual general meeting, as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.
4. A shareholder or his/her proxy is not obliged to vote in respect of all the ordinary shares held or represented by him/her, but the total number of votes for or against the resolutions in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or his/her proxy is entitled.
5. Forms of proxy must be lodged and/or posted to the Company's transfer secretaries (Computershare Investor Services (Proprietary) Limited) at 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by the transfer secretaries by no later than 10:00 on Monday, 23 November 2009.
6. The completion and return of this form of proxy in accordance with paragraph 5 above will not preclude the relevant shareholder from attending this annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
7. A minor must be assisted by the minor's parent or guardian, unless the relevant documents establishing the minor's capacity are produced or have been registered by the Company.
8. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
9. This form of proxy must be signed by all joint shareholders. If more than one of those shareholders is present at this annual general meeting either in person or by proxy, the person whose name stands first in the register shall alone be entitled to vote.
10. 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 Company's transfer office or waived by the Chairman of this annual general meeting.
11. The Chairman of this annual general meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a member wishes to vote.

Shareholders holding dematerialised preference shares

1. Shareholders who have dematerialised their preference shares through a Central Securities Depository Participant ("CSDP") or broker (except those shareholders who have elected to dematerialise their ordinary shares or redeemable option-holding shares in "own name" registrations) and all beneficial shareholders holding their ordinary shares or redeemable option-holding shares (dematerialised or certificated) through a nominee should provide such CSDP, broker or nominee with their voting instructions in sufficient time to allow them to advise the transfer secretaries of the Company of their voting instructions before the closing time referred to in paragraph 5 above.
2. All such shareholders wishing to attend the annual general meeting in person may do so only by requesting their CSDP, broker or nominee to issue the shareholder with a letter of representation in terms of the custody agreement. Such letter of representation must be lodged with the transfer secretaries before the closing time referred to in paragraph 5 above.

Glossary of terms

Throughout this annual report, the following terms shall have the meanings assigned to them below:

Absa	Absa Group Limited
Absa Capital	Division of Absa Group Limited
Absa options	The options held by Batho Bonke to acquire 73 152 300 Absa ordinary shares at a maximum strike price of R69 per Absa ordinary share
Avusa	Aggregate of shareholder funds aggregate of all issued share capital plus all share premium plus capital reserves plus any subordinated shareholder's loans less Mvelaphanda Group intangibles and goodwill Avusa Limited
Batho Bonke	Batho Bonke Capital (Proprietary) Limited
BBBEE	Broad-based black economic empowerment
BEE	Black economic empowerment
BEE Codes	The codes of Good Practice on Black Economic Empowerment, issued under section 9(1) of the Broad-based Black Economic Empowerment Act, as amended
BEE options	The options attached to the BEE shares allowing each redeemable option-holding shareholder to subscribe for one Mvelaphanda Group ordinary share at a minimum subscription price of R17,50
BEE shares	The redeemable option-holding shares with a par value of 0,1 cent each in the share capital of Mvelaphanda Group which were issued on 19 June 2007
Covenanted ratios	Means the Group Leverage Ratio, the Group debt service cover ratio, the operations leverage ratio, the market capitalisation of Mvelaphanda, the security value cover ratio, the market capitalisation ratio, the Mvelaphanda Group gearing ratio, the unrestricted assets cover ratio and the aggregate of all shareholders' funds
Debt covenants	Means covenanted ratios
Depfin	Depfin Investments (Proprietary) Limited, a subsidiary of Nedbank Capital
Effective interest method	The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset/liability, or, where appropriate, a shorter period
ElementOne	ElementOne Limited (holding company of Avusa)
GDP	Gross domestic product
Group debt service	Means, in respect of each 12 consecutive months, the consolidated aggregate of all interest, capital repayments, preference dividends, redemption amounts and secured deposits paid or which become due and payable during that 12-month period by the Mvelaphanda Group on any indebtedness of the Mvelaphanda Group (excluding any payments made in respect of the ringfenced exposure, but including redemption amounts paid or which become due and payable and all amounts required to be deposited into the redemption reserve account during such 12-month period as reflected in, and/or ascertained from, the most recent consolidated audited financial statements of the Mvelaphanda Group for that period or, to the extent that such financial statements are not available, the most recent consolidated unaudited management accounts of the Mvelaphanda Group for that period, as determined in accordance with IFRS)
Group EBIT	Means, in respect of each of 12 consecutive months, the consolidated net operating income of the Mvelaphanda Group (as reflected in the income statement) for that period before the deduction or addition, as the case may be, of the following items (also as reflected in the income statement) for that period: <ul style="list-style-type: none"> » Net interest per the income statement. » Tax charged (excluding deferred tax) per the income statement. » Extraordinary items. <p>In addition, after deduction of depreciation in respect of fixed assets and buildings of the Mvelaphanda Group for that period and after deduction of amortisation in respect of the intangible assets of the Mvelaphanda Group for that period, as reflected in, and/or ascertained from, the most recent consolidated audited financial statements of the Mvelaphanda Group for that period or, to the extent that such financial statements are not available, the most recent consolidated, unaudited management accounts of the Mvelaphanda Group for that period, as determined in accordance with IFRS</p>
Group EBITDA	Means, in respect of each period of 12 consecutive months, Group EBIT (excluding any EBIT attributable to any entity that has on account of any ringfenced exposure and any fair value adjustments made in respect of any of the unrestricted assets) for that period plus the consolidated depreciation in respect of fixed assets and buildings of the consolidated Mvelaphanda Group for that period plus the consolidated amortisation in respect of intangible assets of the Mvelaphanda Group, as reflected in, and/or ascertained from, the most recent consolidated audited financial statements of the Mvelaphanda Group for that period or, to the extent that such financial statements are not available, the most recent consolidated unaudited management accounts of the Mvelaphanda Group for that period, as determined in accordance with IFRS

Glossary of terms continued

Group free cash flow	<p>Means, in respect of each period of 12 consecutive months, Group EBITDA (after servicing the ringfenced exposure):</p> <ul style="list-style-type: none"> » plus or minus movement in net working capital of the Mvelaphanda Group; » less all Mvelaphanda Group net capital expenditure; » less taxes paid (excluding any deferred taxes) as per the income statement; » plus all proceeds arising from the disposal of any asset, business, share and/or investment; and » plus or minus any non-cash items that are included (and accordingly have decreased or increased, respectively) in the Group EBITDA such as provisions, unrealised foreign currency gains and losses, undistributed profits of associates and non-controlling interest, for the avoidance of doubt, the parties record that Group cash flow, for the purpose hereof, excludes any Group debt service
Group Five Group indebtedness	<p>Group Five Limited</p> <p>Means the consolidated indebtedness of the Mvelaphanda Group (excluding any ringfenced exposure), (less any balance standing to the credit of the redemption reserve account) as at that date, all as determined in accordance with IFRS</p>
HDSA	Historically disadvantaged South Africans
IDC	Industrial Development Corporation of South Africa Limited
IFRS	International Financial Reporting Standards
Indebtedness	<p>Means any indebtedness of any nature whatsoever, which shall include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or a contingent liability, secured or unsecured, and whether incurred as principal, surety, guarantor or otherwise, including in respect of:</p> <ul style="list-style-type: none"> » moneys borrowed, to the extent that such moneys have not been repaid, but excluding moneys borrowed which are compulsorily convertible into equity; » any amount raised by acceptance under any acceptance credit facility (to the extent that such amount has not been repaid), excluding amount raised by acceptance which is compulsorily convertible into equity; » any guarantee, indemnity or similar assurance against financial loss of any person or entity, but excluding performance or similar guarantees of a non-financial nature provided they are/were given in the ordinary course of the entity's day-to-day business (which, for the avoidance of doubt, does not include the business of an investment holding company); » the amount of any liability in respect of any finance lease or hire purchase contract (to the extent that any such amounts have not been repaid); » receivables sold or discounted (other than receivables to the extent that they are sold on a non-recourse basis); » the amount of any liability in respect of any purchase price or assets or services the payment of which is deferred where the deferral of such price is either: <ul style="list-style-type: none"> – used primarily as a method of raising credit; or – not made in the ordinary course of the applicable entity's day-to-day business; » any agreement or option to reacquire any asset if one of the primary reasons for entering into such agreement or option is to raise finance; » any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; » any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark-to-market value shall be taken into account which, for the avoidance of doubt, may be an addition to or subtraction from the amount of indebtedness); » any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark-to-market value shall be taken into account which, for the avoidance of doubt, may be an addition to or subtraction from the amount of indebtedness); » any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and » any amount raised by, or amount owing pursuant to, the issue of redeemable preference shares to the extent not redeemed (but excluding the preference shares compulsorily convertible into equity), provided that for the purpose of calculating any of the covenanted ratios, indebtedness shall specifically exclude the Company's exposure under and in terms of the Bridge Loan Facility Agreement
Intrinsic net asset value "In the money"	<p>A measure of the value of the investment based on its assets less its liabilities</p> <p>Average market price of the ordinary shares during the period exceeds the exercise/strike price of the options</p>

Glossary of terms continued

Investment companies	Special-purpose vehicles holding directly or indirectly interest in the Group's strategic investments
JIBAR	Johannesburg Interbank Agreed Rate
JSE	JSE Limited
JSE AltX	JSE Alternative stock exchange
Life Healthcare Life	Healthcare Group Holdings (Proprietary) Limited
Market capitalisation of Mvelaphanda	Means the fair value of the ordinary and preference shares multiplied by the number of Mvelaphanda ordinary and preference shares in issue
The Merger	The Merger of the businesses and assets of Mvelaphanda Holdings and Rebserve which was implemented on 13 December 2004
Mvelaphanda Group net equity value	Means, the lower of: <ul style="list-style-type: none"> » The market capitalisation of Mvelaphanda; and » Mvelaphanda Group shareholders' equity
Mvelaphanda Group or the Company	Mvelaphanda Group Limited
Mvelaphanda Group shareholders' equity	Means the consolidated shareholders' equity (net of intangibles and goodwill) in respect of the Mvelaphanda Group as reflected in, and/or ascertained from, the most recent consolidated audited financial statements or unaudited consolidated interim financial statements or, to the extent that such financial statements are not available, the consolidated, unaudited management accounts of the Mvelaphanda Group, as determined in accordance with IFRS
Mvelaphanda Holdings	Mvelaphanda Holdings (Proprietary) Limited
Mvelaphanda Resources	Mvelaphanda Resources Limited
Operations EBITDA	Means Group EBIT (excluding Zonke and Novare) plus consolidated depreciation and amortisation
Operations indebtedness	Means consolidated indebtedness of the restricted assets (excluding subordinated intercompany loans) (less balance in the redemption reserve account)
Rebserve	Rebserve Holdings Limited, being Mvelaphanda Group prior to the Merger
Redemption reserve account	Means the call deposit account maintained by Mvelaserve with Absa
Restricted assets	The following companies in which Mvelaphanda Group has a direct or indirect interest: <ul style="list-style-type: none"> » Khuseti Holdings (Proprietary) Limited ("Khuseti") » Mvelaserve Limited ("Mvelaserve") » Novare Holdings (Proprietary) Limited ("Novare") » Protea Coin Group (Physical and Technical Security) (Proprietary) Limited and Protea Coin Group (Armed Reaction and Assets-in-transit) (Proprietary) Limited (collectively "Protea Coin Group") » Rebhold Freight Services (Proprietary) Limited t/a Contract Forwarding ("Contract Forwarding") » Rebserve Cleaning Services (Proprietary) Limited ("Mvelaserve Cleaning") » RoyalSechaba Holdings (Proprietary) Limited ("RoyalSechaba") » Total Facilities Management Company (Proprietary) Limited ("TFMC") » Zonke Monitoring Systems (Proprietary) Limited ("Zonke")
SENS	Securities Exchange News Service
Stakeholders	Includes shareholders, employees, customers, suppliers and the government
Steinhoff	Steinhoff International Holdings Limited
Strategic investments	Amongst others, the Group's principal strategic investments are: <ul style="list-style-type: none"> » Absa Group Limited » Group Five » Life Healthcare » Avusa » Vox Telecom
Swissport	Swissport South Africa (Proprietary) Limited
The board or "board"	The board of directors of Mvelaphanda Group Limited
The Group	Mvelaphanda Group and its subsidiaries, associates and investments
Trollope	Trollope Mining Services (Proprietary) Limited
United Towers	United Towers (Proprietary) Limited, a subsidiary of Absa Bank Limited
Unitrans	Unitrans Limited

Glossary of terms continued

Unrestricted assets	Means all of the direct and indirect assets and interests of the Mvelaphanda Group (other than restricted assets), including without limitation the Mvelaphanda Group's interests in: <ul style="list-style-type: none"> » Absa Group Limited; » Life Healthcare Group Holdings (Proprietary) Limited; » Group Five Limited; » Steinhoff International Holdings Limited; » Unitrans Express Deliveries (Proprietary) Limited; » Unitrans Fuel and Chemical (Proprietary) Limited; » African Renaissance Holdings Limited; » Swissport South Africa (Proprietary) Limited; » Rebhold Distribution Services (Proprietary) Limited; and » Vox Telecom
Vox or Vox Telecom	Vox Telecom Limited
FINANCIAL RATIOS	
Attributable earnings per share	Attributable earnings/weighted average number of shares in issue
Cash dividend covers	Cash earnings per ordinary share/Dividend/distribution per ordinary share
Cash earnings per ordinary share	(Cash generated from operations – taxation paid – preference dividends paid – cash paid to minority shareholders)/weighted average number of ordinary shares in issue
Cash ratio	Cash and cash equivalents/Current liabilities – bank overdraft
Current ratio	Current assets/Current liabilities
Debt-equity ratio	Total interest-bearing borrowings/Total capital and reserves
Diluted headline (loss)/earnings per share	Diluted headline (loss)/earnings/Weighted average number of shares in issue
Dividend cover	Earnings per ordinary share/Dividend/distribution per ordinary share
Dividend yield	Dividend/distribution per ordinary share/Ordinary share price at 30 June 2009
Earnings yield	Earnings per ordinary share/Ordinary share price at 30 June 2009
Economic value added	Return on shareholders' funds – weighted average cost of capital
Group debt service ratio	Group free cash flow/Group debt service
Group leverage ratio	Group indebtedness/Group EBITDA
Headline (loss)/earnings per share	Headline (loss)/earnings/Weighted average number of shares in issue
Intrinsic net asset value per share	Intrinsic net asset value/Diluted weighted average net number of ordinary shares in issue
Market capitalisation ratio	Market capitalisation of Mvelaphanda/Group indebtedness
Mvelaphanda Group gearing ratio	Mvelaphanda Group net equity value/Group indebtedness
Net tangible asset value per ordinary share	Net tangible assets/Diluted weighted average net number of ordinary shares in issue
Operating margin	Profit from operations/turnover
Operations leverage ratio	Operations indebtedness/Operations EBITDA
Return on net investments	Net (loss)/profit after taxation from investments/Average net investments
Return on net operating assets	Net (loss)/profit after taxation from operations/Average net operating assets
Return on shareholders' funds	Net (loss)/profit attributable to equity holders/Average capital and reserves attributable to equity holders
Return on total assets	Net (loss)/income before borrowing costs and taxation/Average total assets – average total liabilities
Security value cover ratio	Fair value of the restricted assets/aggregate of all amounts owing by Mvelaserve on the preference shares issued to Depfin and United Towers less any balance standing to the credit of the redemption reserve account
Unrestricted assets cover ratio	Net asset value of the unrestricted assets/aggregate of all amounts owing by Mvelaserve on the preference shares issued to Depfin and United Towers

Administration

REGISTERED OFFICE

Mvelaphanda House
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PO Box 1639, Rivonia, 2128
www.mvelagroup.co.za
info@mvelagroup.co.za

COMPANY REGISTRATION NUMBER

1995/004153/06

SHARE CODES

Ordinary shares: MVG
Preference shares: MVGP

ISIN CODES

Ordinary shares: ZAE 000060737
Preference shares: ZAE 000073540

COMPANY SECRETARY

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AUDITORS

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Private Bag 10015, Sandton, 2146

TRANSFER SECRETARIES

Computershare Investor Services (Proprietary) Limited
70 Marshall Street
Johannesburg
PO Box 61051, Marshalltown, 2107

SPONSOR

Deutsche Securities (SA) (Proprietary) Limited
3 Exchange Square
87 Maude Street
Sandton
Private Bag X9933, Sandton, 2146

BANKERS

The Standard Bank of South Africa Limited
Nedbank, a division of Nedcor Bank Limited
First National Bank, a division of FirstRand Bank Limited

SHAREHOLDERS' DIARY

Annual general meeting	25 November 2009
Interim results announcement	March 2010
Audited final results and dividend announcement	September 2010
Interim dividends paid	April 2010
Final dividends paid	September 2010