

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

1. If you are in any doubt as to what action you should take arising from this circular, please consult your broker, CSDP, banker, attorney, accountant, or other professional adviser immediately.
  2. Should you have disposed of all your shares in Metair Investments Limited, please forward this circular to the purchaser of such shares or to the broker or agent through whom the disposal was effected.
  3. Shareholders are referred to page 6 of this circular, which set out the full details of the action required of them in this regard.
- 



**METAIR INVESTMENTS LIMITED**

(Incorporated in the Republic of South Africa)  
(Registration number 1948/031013/06)  
Share code: MTA  
ISIN: ZAE 000090692  
("Metair")

---

**CIRCULAR TO METAIR SHAREHOLDERS**

regarding

**the adoption of The Metair Investments Limited 2009 Share Plan;**

and incorporating

- **the notice of general meeting; and**
  - **a form of proxy (for use by certificated shareholders and shareholders who have dematerialised their shares with "own name" registration only) (blue).**
- 

**Sponsor**



Corporate Finance

**Corporate legal advisors**

**Deloitte.**

**Transfer secretaries**

**Computershare**

**Date of issue: 19 November 2009**

*Copies of this circular, in English, may be obtained from the registered office of Metair and the transfer secretaries, the addresses of which are set out in the "Corporate Information" section of this circular.*

---

## **CORPORATE INFORMATION**

---

### **Company secretary and registered office**

S Vermaak  
Wesco House  
10 Anerley Road  
Parktown  
Johannesburg  
2193  
(PO Box 2077, Saxonwold, 2132)

### **Sponsor**

Barnard Jacobs Mellet Corporate Finance (Pty) Limited  
24 Fricker Road  
Ground Floor, Illovo Corner  
Illovo  
2196  
(PO Box 62200, Marshalltown, 2107)

### **Corporate legal advisors**

Deloitte Legal  
The Woodlands  
Woodlands Drive  
Woodmead  
Sandton  
2146  
(Private Bag X6, Gallo Manor, 2052)

### **Transfer secretaries**

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

---

## TABLE OF CONTENTS

---

The definitions given on pages 3 to 5 of this circular, have been used on this contents page.

	Page
<b>Corporate information</b>	Inside front cover
<b>Salient dates and times</b>	2
<b>Definitions</b>	3
<b>Action required</b>	6
<b>Circular to Metair shareholders</b>	
1. Introduction	7
2. Purpose of the Plan	8
3. Introduction to the Plan	8
4. General description of the Plan	8
5. Administration of the Plan	10
6. Eligibility	10
7. Termination of employment	10
8. Change of control	11
9. Settlement	11
10. Voting	11
11. Condition precedent	11
12. Directors	12
13. Directors' interests in securities	13
14. Major shareholders	13
15. Share capital	13
16. Preliminary expenses	14
17. Material change	14
18. Opinion and recommendation	14
19. Directors' responsibility statements	14
20. Notice of general meeting and voting rights	14
21. Consents	15
22. Documents available for inspection	15
<b>Notice of general meeting</b>	16
<b>Form of proxy (blue)</b>	Attached

---

## **SALIENT DATES AND TIMES**

---

---

**2009**

Forms of proxy for general meeting of shareholders to be received by 09:00	Wednesday, 2 December
General meeting of shareholders held at 09:00	Friday, 4 December
Results announcement released on SENS	Friday, 4 December
Results announcement published in the press	Thursday, 7 December

---

**Note:**

The above dates and times are subject to change. Any changes will be released on SENS and published in the press.

---

## DEFINITIONS

---

In this circular, unless inconsistent with the context:

- the words in the first column have the meanings stated opposite them in the second column;
- words in the singular include the plural and *vice versa*;
- words importing natural persons include corporations and associations of persons; and
- any reference to one gender includes the other genders.

<b>“the Act”</b>	the South African Companies Act, 1973 (Act 61 of 1973), as amended;
<b>“Allocation”</b>	the conditional allocation of Share Appreciation Rights to an Eligible Employee;
<b>“Articles of Association”</b>	the articles of association of Metair;
<b>“Award”</b>	the conditional award to an Eligible Employee of Performance Shares;
<b>“the Board”</b>	the board of directors of Metair;
<b>“Bonus Shares”</b>	shares which have been conditionally Granted to an Eligible Employee in terms of a Grant Letter;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or official public holiday in South Africa;
<b>“certificated shareholders”</b>	shareholders who have not dematerialised their Metair share certificates in terms of Strate;
<b>“certificated shares”</b>	shares that have not been dematerialised, title of which is represented by a share certificate or other physical document of title;
<b>“this circular”</b>	this bound document dated 19 November 2009, including the notice of general meeting and form of proxy (blue);
<b>“Common Monetary Area”</b>	South Africa, the Republic of Namibia and the Kingdoms of Swaziland and Lesotho;
<b>“CSDP”</b>	Central Securities Depository Participant;
<b>“dematerialised shareholder”</b>	a holder of Shares which have been incorporated into the Strate system and which are no longer evidenced by physical documents of title, the evidence of ownership regarding which is determined electronically;
<b>“dematerialised shares”</b>	shares that have been incorporated into the Strate system on the JSE and which are no longer evidenced by physical documents of title in terms of the Securities Services Act, 2004 (Act 36 of 2004), as amended;
<b>“Eligible Employee”</b>	a person eligible for participation in the Plan, namely an executive, senior manager and/or key employee of any member company of the Group, including any present or future executive director holding salaried employment or office, which executive, manager and/or employee shall be selected by the Board from time to time in its sole and absolute discretion, but excluding any non-executive director;
<b>“Exercise Date”</b>	the date on which any Vested Share Appreciation Rights are Exercised by a Participant;

<b>“Fair Market Value”</b>	<p>in relation to a Share on any particular day, shall be the:</p> <ul style="list-style-type: none"> <li>• closing price of the Share on the Trading Day immediately prior to the Exercise Date or Vesting Date (whichever is applicable); or</li> <li>• the volume weighted average price of a Share on the JSE over either: <ul style="list-style-type: none"> <li>(a) the twenty Trading Days immediately prior to the day in question or</li> <li>(b) such shorter period, being less than twenty Trading Days immediately prior to the day in question,</li> </ul> </li> </ul> <p>as the Board in its sole discretion may determine from time to time;</p>
<b>“General Meeting”</b>	<p>the general meeting of shareholders to be held in the boardroom of Metair, 10 Anerley Road, Parktown, 2193, at 09:00 on Friday, 4 December 2009;</p>
<b>“Grant”</b>	<p>the conditional grant to an Eligible Employee of Bonus Shares;</p>
<b>“the Group”</b>	<p>Metair and its subsidiaries from time to time;</p>
<b>“the JSE”</b>	<p>JSE Limited, a company duly registered and incorporated with limited liability under the company laws of South Africa under registration number 2005/022939/06, licensed as an exchange under the Securities Services Act, 2004 (Act 36 of 2004), as amended;</p>
<b>“Last Practicable Date”</b>	<p>Tuesday, 10 November 2009, being the last practicable date prior to the finalisation of this circular;</p>
<b>“Listings Requirements”</b>	<p>the Listings Requirements of the JSE;</p>
<b>“Metair” or “the Company”</b>	<p>Metair Investments Limited (Registration number 1948/031013/06), a public company listed on the JSE;</p>
<b>“Participant/s”</b>	<p>in the case of:</p> <ul style="list-style-type: none"> <li>• Bonus Shares, an Eligible Employee to whom a Grant has been made and who has accepted such Grant;</li> <li>• Performance Shares, an Eligible Employee to whom an Award has been made and who has accepted such Award; and</li> <li>• Share Appreciation Rights, an Eligible Employee to whom an Allocation has been made and who has accepted such Allocation,</li> </ul> <p>and includes the executor of the Participant’s deceased estate or family entity where appropriate;</p>
<b>“Performance Criteria”</b>	<p>the performance criteria for the performance share method of participation in the Plan and the share appreciation method of participation in the Plan as may be determined by the Board from time to time;</p>
<b>“Performance Shares”</b>	<p>Shares which have been conditionally awarded to an Eligible Employee which vest in accordance with certain Performance Criteria;</p>
<b>“The Plan”</b>	<p>The Metair Investments Limited 2009 Share Plan the salient terms of which are set out in this circular and which entails participation therein through any or all of the Bonus Share Method, the Performance Share Method and the Share Appreciation Method as determined by the Board;</p>
<b>“SENS”</b>	<p>Securities Exchange News Service of the JSE;</p>

<b>“Shares”</b>	ordinary shares with a par value of 2 cents each in the capital of the Company;
<b>“Share Appreciation Right”</b>	a share appreciation right conditionally allocated to an Eligible Employee;
<b>“Shareholders”</b>	the registered holders of Shares in Metair;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Strate”</b>	Strate Limited (Registration number 1998/1022242/06), a registered securities depository in terms of the Securities Services Act, 2004 (Act 36 of 2004), as amended;
<b>“Trading Day”</b>	any day on which the Shares are traded on the JSE;
<b>“transfer secretaries”</b>	Computershare Investor Services (Proprietary) Limited (Registration number 2004/003647/07), a public company incorporated in South Africa; and
<b>“Vesting Date”</b>	is in relation to: <ul style="list-style-type: none"> <li>• a Grant, the date on which Bonus Shares vest and shall be settled which date shall be three years from the date of the Grant;</li> <li>• an Award, the date on which Performance Shares may be settled to a Participant which date shall be three years from the date of the Award;</li> <li>• an Allocation, the date from which Share Appreciation Rights vest and may be exercised by Participants which date shall be the following: <ul style="list-style-type: none"> <li>– one-third of the Allocation on the third anniversary of the date of allocation;</li> <li>– a second third of the Allocation on the fourth anniversary of the date of allocation; and</li> <li>– the final third of the Allocation on the fifth anniversary of the date of allocation.</li> </ul> </li> </ul>

---

## **ACTION REQUIRED**

---

**This circular is important and requires your immediate attention.**

**The action you need to take is set out below.**

If you are in any doubt as to the action you should take in relation to this circular, please consult your broker, CSDP, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all your shares in Metair, please forward this circular to the broker or agent through whom the disposal took place.

### **1. SHAREHOLDERS WHO HAVE NOT DEMATERIALISED THEIR METAIR ORDINARY SHARE CERTIFICATES OR WHO HOLD SHARES IN "OWN NAME" REGISTRATION IN DEMATERIALISED FORM**

#### **Voting and attendance at the general meeting**

A general meeting of shareholders is to be held at 09:00 on Friday, 4 December 2009, in the boardroom of Metair, 10 Anerley Road, Parktown, to consider and, if deemed fit, to pass, with or without modification, the ordinary resolutions relating to the Plan.

If you are unable to attend the general meeting and wish to be represented thereat, please complete the form of proxy (blue) attached to this circular in accordance with the instructions contained therein and return it to the transfer secretaries to be received by no later than 09:00 on Wednesday, 2 December 2009.

### **2. SHAREHOLDERS WHO HAVE DEMATERIALISED THEIR METAIR ORDINARY SHARE CERTIFICATES OTHER THAN WITH "OWN NAME" REGISTRATION**

#### **Voting and attendance at the general meeting**

A general meeting of shareholders is to be held on Friday, 4 December 2009 the boardroom of Metair, 10 Anerley Road, Parktown to consider and, if deemed fit, to pass, with or without modification, the ordinary resolutions relating to The Plan.

You must provide your CSDP or broker, as the case may be, with your voting instructions in terms of the custody agreement entered into between you and your CSDP or broker, as the case may be. Should you wish to attend the general meeting or send a proxy to represent you at the general meeting, you must inform your CSDP or broker timeously and request your CSDP or broker to issue you with the necessary authorisation to attend.



# METAIR INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1948/031013/06)

Share code: MTA

ISIN: ZAE000090692

---

## Directors

C T Loock	Managing Director
B M Jacobs	Finance Director
O M E Poee	Non-executive Chairman
A Joffe	Non-executive Director
B Molotlegi	Non-executive Director
A D Plummer*	Non-executive Director
G M C Ryan	Non-executive Director
L M Ndala	Alternate Non-executive Director
R S Broadley	Independent Non-executive Director
L Soanes*	Independent Non-executive Director
A Galiel	Independent Non-executive Director
J G Best	Independent Non-executive Director

\* British

---

## CIRCULAR TO METAIR SHAREHOLDERS

---

### 1. INTRODUCTION

Directors of Metair have been engaged with independent professional service providers to design a more appropriate suite of share-based incentives which are in line with global best practice, and emerging South African practice, and which in combination serve to reward the required attributes of shareholder alignment and long-term, sustained performance.

The Board of Metair recommend the adoption of The Metair Investments Limited 2009 Share Plan, which incorporates the following elements:

- Allocations of Share Appreciation Rights;
- Grants of Bonus Shares; and
- Awards of Performance Shares.

The Plan will be established by Metair under which executives, senior managers and/or key employees of Metair and its subsidiaries and associates will receive Shares in Metair or cash based on the value of their Allocations/Grants/Awards (after the deduction of Employee Tax as applicable) when time conditions have been met and:

- in the case of allocations of Share Appreciation Rights, that these have been exercised;
- in the case of Bonus Shares to the extent that employment with Metair has continued; and
- in the case of awards of Performance Shares, to the extent that performance conditions have been met.

The primary intent of The Plan is to reward executives, senior management and key employees for long-term, sustained performance aligned to shareholder value, and at the same time to ensure an optimal positioning in terms of the tax, accounting and regulatory environment.

In order to minimise volatility in earnings dilution due to IFRS 2, and to promote tax neutrality for Metair, it is envisaged that rewards will be settled in Shares, which Shares will be purchased in the market, although Metair will retain the right to issue new Shares at its election. However, even should it elect so to do, the nature of The Plan is not as dilutive as a normal share option scheme. As a result, the maximum number of Shares required for settlement is envisaged to be 15 253 187 Metair Shares representing approximately 10% of Metair's currently issued ordinary Shares. Metair may also elect to settle in cash rather than in Shares.

The performance conditions are designed to be stretching but achievable and will be linked where applicable to Metair's medium-term business plan, over rolling three-year performance periods.

Annual allocations of Share Appreciation Rights, awards of Performance Shares and grants of Bonus Shares will be governed by Metair's remuneration policies, in which, *inter alia*, the "Expected Value" of long-term incentive reward is set for defined categories of executives, senior management and key employees.

A general meeting of Metair is convened in order to consider the ordinary resolutions required to approve The Plan and place sufficient authorised but unissued ordinary Metair Shares under the control of the directors for the purposes of the Plan.

The purpose of this circular is to provide Metair shareholders with all the relevant information regarding The Plan.

Shareholders are advised that the Plan supercedes The Metair Share Incentive Trust.

## **2. PURPOSE OF THE PLAN**

The purpose of the Plan is to attract, retain, motivate and reward executives and managers who are able to influence the performance of Metair Investments and its subsidiaries on a basis which aligns their interests with those of the Company's shareowners.

## **3. INTRODUCTION TO THE PLAN**

Metair has engaged with Deloitte Legal to recommend an appropriate long-term incentive plan which is in line with global best practice, and emerging South African practice, and which serves to reward the required attributes of shareholder alignment, retention of key talent and long-term, sustained performance.

The Remuneration Committee of Metair has approved the conceptual design of the Plan and in due course will provide a mandate for its detailed design and implementation.

The Plan will provide for the inclusion of a number of performance conditions, designed to align the interests of Participants with those of Metair shareholders, and to reward Company and individual performance, more so than merely the performance of the economy or the sector in which the Company operates.

The maximum number of Shares available to the Plan is 15 253 187 Metair ordinary Shares and 4 576 000 Metair ordinary Shares per Participant.

Grants, Awards and Allocations will be determined and made from time to time by the Board to Eligible Employees in line with the Company's share incentive methodology as applicable at such time.

## **4. GENERAL DESCRIPTION OF THE PLAN**

Under the Plan executive, senior manager and/or key employee of the Group will be offered annually a combination of:

- Share Appreciation Rights; or
- Performance Shares; or
- Bonus Shares.

The offer of Share Appreciation Rights, Performance Shares or Bonus Shares in terms of the Plan will be at the sole discretion of the Board. The Board will endeavour to allocate these benefits in an equitable manner in accordance with the remuneration and performance policies of the Company as determined by the Board from time to time.

It is envisaged that the combined implementation of the above long-term incentive elements will allow Metair to remain competitive in annual and share based incentives, reward long-term sustainable Company performance, act as a retention tool, and ensure that executives share a significant level of personal risk with the Company's shareholders.

### **Share Appreciation Right Method**

It is recorded that the Board will make a once off Allocation of Share Appreciation Rights to selected Eligible Employees on approval of this Plan. The number of Shares which underlie this once-off Allocation shall not exceed 4 500 000 Shares.

Annual allocations of Share Appreciation Rights will be made to executives and selected managers. They will be available to be settled, subject to any performance criteria that may have been stipulated at allocation, in equal thirds on the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> anniversaries but need not be exercised until the 6<sup>th</sup> anniversary, at which time they will be automatically settled.

On settlement, the value accruing to Participants will be the appreciation of Metair's share price. The appreciation may be calculated as the full appreciation in the share price, or that appreciation over and above a prescribed hurdle rate which may have been stipulated at allocation.

### **Performance Share Method**

Annual conditional awards of Performance Shares will be made to Participants. Performance Shares will Vest on the 3<sup>rd</sup> anniversary of their award, to the extent that the Company has met specified performance criteria over the intervening period.

The Board will dictate the performance criteria for each award which will, *inter alia*, be selected from the return on equity, return on assets, cash generation of the company and compounded annual growth ("CAGR") in headline earnings per share ("HEPS").

However, at this juncture to illustrate the methodology of vesting, an example using the Company's CAGR in HEPS is described below:

- If Metair's CAGR in HEPS over the three-year period exactly equals "**x**", then the targeted number of Performance Shares awarded will vest.
- If Metair's CAGR in HEPS over the three-year period is equal to or less than "**y**", then all Performance Shares awarded will lapse, and no Performance Shares will vest.
- If Metair's CAGR in HEPS over the three-year period equals or exceeds "**z**", then three times the targeted number of Performance Shares awarded will vest.
- If Metair's performance over the three-year period lies between any of the above points, then a prorated number of Performance Shares will vest.
- "**x**", "**y**" and "**z**" may be stipulated in absolute terms, or in comparative terms in relation to an index or a comparator group.

Although the extent to which the Performance Shares may be settled to a Participant shall be conditional on, *inter alia*, the Board's assessment of the achievement of the Performance Criteria, the Board may in its sole and absolute discretion waive or amend such Performance Criteria if it is of the view that there are exceptional circumstances which would justify such a waiver or amendment, and such waiver or amendment shall not materially disadvantage and/or materially prejudice the existing rights of any Participant in and to the Performance Shares.

The Performance Share Method closely aligns the interests of shareholders and Eligible Employees by rewarding superior shareholder and financial performance in the future.

## **Bonus Share Method**

On an annual basis, Participants will receive a grant of Bonus Shares the value of which matches, according to a specified ratio, the annual cash incentive accruing to the executive. All Bonus Shares will vest after three years conditional only on continued employment.

The Bonus Share Method provides for share-based retention to those Eligible Employees who through their previous loyalty and/or their performance on an annual basis have demonstrated their value to the Company.

## **5. ADMINISTRATION OF THE PLAN**

The Board is responsible for the operation and administration of the Plan, and has discretion to decide whether and on what basis the Plan shall be operated, which may include but not be limited to the delegation of the administration of the Plan to any third party appointed by the Board, but excluding any executive director of the Company.

## **6. ELIGIBILITY**

Any executive, senior manager and/or key employee of Metair or its subsidiaries may be selected by the Board to be participants in the Plan. It is envisaged that all eligible executives and senior managers will receive on an annual basis, Allocations in terms of the Share Appreciation Right Method, Awards in terms of the Performance Share Method, and from the second year, Grants in terms of the Bonus Share Method. Non-executive directors are excluded from participating in the Plan.

## **7. TERMINATION OF EMPLOYMENT**

Termination of employment is based on the definition of no fault termination versus that of fault termination. No fault termination is the termination of employment of a Participant by the Company by reason of:

- death;
- injury, disability or ill-health, in each case as certified by a qualified medical practitioner nominated by the Company;
- dismissal based on Operational Requirements as contemplated in the LRA;
- retirement on or after his retirement date;
- the Company by which he is employed ceasing to be a member company of the Group;
- mutual agreement; or
- the undertaking in which he is employed being transferred to a transferee which is not a member of the Group.

Fault termination will be a dismissal for misconduct, poor performance or a resignation by the Participant.

The following provisions will apply under circumstances of termination:

### **Share Appreciation Rights**

If employment is terminated for no fault reasons prior to the settlement of Share Appreciation Rights, all share Appreciation Rights allocated, whether vested or not, will be settled on the date of determination.

If a Participant ceases to be employed by reason of a fault termination, all Share Appreciation Rights not previously settled shall be deemed to have been cancelled, unless the Board determines otherwise.

### **Performance Shares**

If employment is terminated for no fault reasons, then the Performance Shares will be prorated for the time period until the termination date as if the target Performance Criteria had been met at date of termination, and then settled.

If employment is terminated for fault reasons, then the Performance Shares will be cancelled.

## **Bonus Shares**

If employment is terminated for no fault reasons, then accelerated vesting of the Bonus Shares will occur and they will be settled.

If employment terminated for fault reasons, the Bonus Shares will be cancelled.

## **8. CHANGE OF CONTROL**

"Change of Control" is defined as all circumstances where a party (or parties acting in concert), directly or indirectly, obtains:

- beneficial ownership of the specified percentage of 35% or more of Metair's issued share capital; or
- control of the specified percentage or more of the voting rights at meetings of Metair; or
- the right to control the management of Metair or the composition of the Board; or
- the right to appoint or remove directors holding a majority of voting rights at Board meetings; or
- the approval by Metair's shareholders of, or the consummation of, a merger or consolidation of Metair with any other business or entity, or upon a sale of the whole or a major part of Metair's assets or undertakings.

If the Company undergoes a Change of Control after an allocation, award or grant, then the rights of Participants under the Plan will either be treated as for a no fault termination, or accommodated on a basis which shall be determined by the Board to be fair and reasonable to Participants.

## **9. SETTLEMENT**

In relation to a vested Bonus Share, vested Performance Share or an exercised Share Appreciation Right, settlement can take place through either of the following methods:

- the allotment and issue by the Company of Metair Shares into the name of a Participant; or
- the Company may acquire Shares on the market and issue them to the Participant in settlement of the vested instrument; or
- the Company may use of the services of a script lender or any other external third party to trade and thereby settle Shares on behalf of the Participants; or
- the payment by the Company, to the Participant of a cash bonus equal to the Fair Market Value of the Shares to which a Participant becomes entitled in terms of the Plan, calculated on the Vesting Date or Exercise Date.

It is recorded that any Shares which have been settled to a Participant in terms of the Plan shall rank *pari passu* with all other issued Metair Shares in all respects.

## **10. VOTING**

In accordance with the Listings Requirements, any Shares held in terms of the Plan will not have their votes at general/annual general meetings taken into account for the purposes of resolutions proposed in terms of the Listings Requirements. Such equities securities will also not be allowed to be taken into account for purposes of determining categorisations as detailed in the Listings Requirements.

## **11. CONDITION PRECEDENT**

The implementation of the Plan is subject to the ordinary resolutions contained in the notice of general meeting attached to this circular being passed by shareholders.

## 12. DIRECTORS

The Board of directors of Metair, on the last practicable date, comprised the following individuals:

<b>Name and age</b>	<b>Address</b>	<b>Occupation</b>
<b>Executive directors</b>		
C T Loock (44)	10 Anerley Road Parktown Johannesburg 2193	Managing Director
B M Jacobs (42)	10 Anerley Road Parktown Johannesburg 2193	Finance Director
<b>Non-executive directors</b>		
O M E Poee (50)	10 Anerley Road Parktown Johannesburg 2193	Non-executive Chairman
A Joffe (40)	10 Anerley Road Parktown Johannesburg 2193	Non-executive Director
G M C Ryan (61)	10 Anerley Road Parktown Johannesburg 2193	Non-executive Director
A D Plummer (61)	10 Anerley Road Parktown Johannesburg 2193	Non-executive Director
L M Ndala (35)	10 Anerley Road Parktown Johannesburg 2193	Non-executive Director
B Molotlegi (36)	10 Anerley Road Parktown Johannesburg 2193	Non-executive Director
R S Broadley (77)	10 Anerley Road Parktown Johannesburg 2193	Independent Non-executive Director
L Soanes (72)	10 Anerley Road Parktown Johannesburg 2193	Independent Non-executive Director
A Galiel (40)	10 Anerley Road Parktown Johannesburg 2193	Independent Non-executive Director
J G Best (61)	10 Anerley Road Parktown Johannesburg 2193	Independent Non-executive Director

### 13. DIRECTORS' INTERESTS IN SECURITIES

Save as disclosed in the table below, on the last practicable date, no other director of Metair had any direct or indirect interest in Metair.

#### 13.1 Directors' interests in shares

	Direct	Beneficially held		
		%	Indirect	
<b>Non-executive directors</b>				
G M C Ryan	–	–	9 869 178	6.47
<b>Independent non-executive directors</b>				
L Soanes	240 000	0.16	–	–
<b>Executive directors</b>				
C T Loock	100 000	0.07	–	–
	<b>340 000</b>	<b>0.23</b>	<b>9 869 178</b>	<b>6.47</b>

#### 13.2 Directors' interest in share options

None of the directors had any interest in share options as at the last practicable date.

### 14. MAJOR SHAREHOLDERS

As at the last practicable date, the following shareholders (excluding directors) beneficially held 5% or more of the issued share capital of Metair:

	Number of shares	Percentage
Royal Bafokeng Metair Trust	37 911 325	24.85
Coronation Capital Limited	25 904 250	16.98
Metair Share Trust	12 384 906	8.12
Investec	9 569 889	6.27
Investment Solutions	9 006 115	5.90

### 15. SHARE CAPITAL

As at the last practicable date, the authorised and issued share capital of Metair is as follows:

<b>Authorised share capital</b>	<b>R'000</b>
187 500 000 ordinary shares of 2 cents each	3 750
<b>Issued share capital</b>	
152 531 875 ordinary shares of 2 cents each	3 051
<b>Share premium</b>	<b>39 825</b>

The Company currently holds 12 602 679 ordinary shares as treasury stock.

## 16. PRELIMINARY EXPENSES

At the last practicable date, estimated expenses of R315 193 (excluding VAT) were provided for in respect of the Plan and include:

	<b>Rand</b>
Sponsor fees – Barnard Jacobs Mellet Corporate Finance (Pty) Ltd	20 000
Legal fees – Deloitte Legal	270 000
Printing and other related costs – Ince (Pty) Ltd	20 078
JSE documentation fee	5 115
	<b>R315 193</b>

## 17. MATERIAL CHANGE

There has been no material change in the financial or trading position of the Group since the issue of the annual report for the 12 months ended 31 December 2008.

## 18. OPINION AND RECOMMENDATION

The directors of Metair are of the opinion that the Plan is in the interest of the shareholders of Metair. Accordingly, the directors who are shareholders intend to vote in favour of the ordinary resolutions to approve the Plan and recommend that shareholders do the same.

## 19. DIRECTORS' RESPONSIBILITY STATEMENTS

The directors, whose names are set out on page 7 of this circular, collectively and individually, accept full responsibility for the accuracy of the information given in this circular and certify that, to the best of their knowledge and belief, that there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this circular contains all information required in terms of the Listings Requirements.

## 20. NOTICE OF GENERAL MEETING AND VOTING RIGHTS

A notice of general meeting to be held in the boardroom of Metair, 10 Anerley Road, 2193, on Friday, 4 December 2009 at 09:00 to approve the ordinary resolutions, is included in this circular for the purpose of obtaining the approval for the Plan.

Shareholders who have not dematerialised their shares, or who hold shares in "own name" registration in dematerialised form, who are unable to attend the general meeting and who wish to be represented thereat, must complete the form of proxy (blue) as attached to this circular, in accordance with the instructions contained therein and return it to the transfer secretaries to be received by no later than 09:00 on Wednesday, 2 December 2009.

Shareholders who have dematerialised their shares, other than in "own name" registration, must inform their CSDP or broker of their intention to attend the general meeting and request their CSDP or broker to issue them with the necessary letter or representation or provide their CSDP or broker with their voting instructions should they not wish to attend the general meeting in person but wish to be represented thereat.

### Voting rights

- In terms of the Listings Requirements, shares held by The Metair Share Incentive Trust will not have their votes at the general meeting taken into account for resolution approval purposes.
- In terms of the Act, no voting rights attaching to treasury shares may be exercised.

## **21. CONSENTS**

As at the last practicable date, the sponsor, corporate legal advisors and transfer secretaries have not withdrawn their consents to having their names stated in this circular.

## **22. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours at Metair's registered office from Thursday, 19 November 2009 until the date of the general meeting:

- this circular;
- Metair memorandum and articles of association;
- the audited annual financial statements of Metair for the three financial years ended 31 December 2008, 31 December 2007 and 31 December 2006 and the interim report for the six months ended 30 June 2009; and
- The Metair Investments Limited 2009 Share Plan.

By order of the Board

### **METAIR INVESTMENTS LIMITED**

**B M Jacobs**

*Financial Director*

Johannesburg

19 November 2009



# **METAIR INVESTMENTS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 1948/031013/06)

Share code: MTA, ISIN: 000090692

("Metair" or "the Company")

---

## **NOTICE OF GENERAL MEETING**

---

Notice is hereby given that a general meeting of shareholders of the Company will be held in the boardroom of Metair, 10 Anerley Road, Parktown, 2193 on Friday, 4 December 2009, at 09:00 ("the general meeting"), to consider and, if deemed fit, to pass with or without modifications, the following ordinary resolutions:

### **ORDINARY RESOLUTION NUMBER 1**

"Resolved that The Metair Investments Limited 2009 Share Plan substantially in the form of the draft tabled at the meeting at which this resolution will be proposed and considered and initialled by the Chairman of the meeting for the purposes of identification, be and are hereby adopted by the Company."

In terms of the Listings Requirements of the JSE Limited the Plan must be approved by equity shareholders passing the ordinary resolution (requiring 75% majority of votes cast).

### **ORDINARY RESOLUTION NUMBER 2**

"Resolved that, the Company is hereby authorised, in accordance with section 221 of the Companies Act and the Listings Requirements of the JSE Limited, to place 15 253 187 unissued ordinary shares in the authorised capital of the Company under the control of the directors of the Company who are authorised under a specific authority to allot and issue all or any of the 15 253 187 ordinary shares placed under their control in terms of this resolution for the purposes of issuing shares to The Metair Investments Limited 2009 Share Plan."

In terms of the Listings Requirements of the JSE Limited this authority must be approved by equity shareholders passing ordinary resolution (requiring 75% majority of votes cast).

### **ORDINARY RESOLUTION NUMBER 3**

"Resolved as an ordinary resolution that the directors of the Company be and they are hereby authorised and empowered to do all such things and sign all such documents and procure the doing of all such things and the signature of all such documents as may be necessary or incidental to give effect to and implement the provisions of ordinary resolutions numbers 1 and 2 set out in the notice convening the meeting at which this resolution will be proposed and considered."

### **VOTING AND PROXIES**

Shareholders entitled to attend and vote at the general meeting may appoint a proxy to attend, speak and vote thereat in their stead. A proxy need not be a member of the Company.

A forms of proxy in which is set out the relevant instructions for completion, is attached for the use of Certificated Shareholders and Dematerialised Shareholders with "own name" registration who wish

to be represented at the general meeting. Completion of the relevant instructions is attached for the use of Shareholders who wish to be represented at the General Meeting. Completion of the relevant form of proxy will not preclude such Shareholders from attending and voting (in preference to those shareholders' proxies) at the general meeting.

The instrument appointing the proxy and the authority (if any) under which it is signed, must reach the transfer secretaries of the Company at the address given below by not later than 09:00 on Wednesday, 2 December 2009.

Votes of shareholders of unlisted securities will not be taken into consideration in determining either a quorum or for approval of any resolution considered at the general meeting.

By order of the Board

**METAIR INVESTMENTS LIMITED**

**S M Vermaak**

*Company secretary*

19 November 2009

**Registered address**

Wesco House  
10 Anerley Road  
Parktown  
Johannesburg  
2193

**Transfer secretaries**

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





# METAIR INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number 1948/031013/06)  
Share code: MTA, ISIN: 000090692  
("Metair" or "the Company")

## FORM OF PROXY

**To be completed by Certificated and Dematerialised Shareholders with "own name" registration.**

**If you are a dematerialised shareholder, other than with "own name" registration, do not use this form. Dematerialised shareholders should contact their appointed CSDP or broker in terms of their custody agreement entered into between the Shareholder and the CSDP or broker by the cut-off time stipulated by their CSDP or broker.**

A Shareholder entitled to attend and vote at the General Meeting to be held in the boardroom of the Company at 10 Anerley Road, Parktown, 2193, on 09:00 on Friday, 4 December 2009 at 09:00, is entitled to appoint a proxy to attend, speak or vote thereat in his/her stead. A proxy need not be a Shareholder of the Company.

All forms of proxy must be lodged at the Company's transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 09:00 on Wednesday, 2 December 2009.

I/We (Please print names in full)

of (address)

I/We (Please print names in full)

of (address)

being an ordinary shareholder(s) of the Company holding  ordinary shares in the Company do hereby appoint:

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

3. the Chairman of the general meeting,

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

3. the Chairman of the general meeting,

as my/our proxy to vote on my/our behalf at the abovementioned meeting (and any adjournment thereof) to be held at 09:00 on Friday, 4 December 2009 at Metair, 10 Anerley Road, Parktown, 2193 for the purpose of considering and, if deemed fit, passing with or without modifications, the following ordinary resolutions to be considered at such meeting:

	Number of votes (one per share)		
	In favour of	Against	Abstain
<b>Ordinary resolution number 1</b> Approval of The Metair Investments Limited 2009 Share Plan			
<b>Ordinary resolution number 2</b> Approval of the specific authority to issue shares for the purposes of The Metair Investments Limited 2009 Share Plan			
<b>Ordinary resolution number 3</b> Authorising the directors to take all action necessary to implement the ordinary resolutions described above			

Insert an "X" in the appropriate block. If no indications are given, the proxy will vote as he/she deems fit. Each member entitled to attend and vote at the general meeting may appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote in his/her stead.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2009

Signature \_\_\_\_\_

Assisted by (where applicable) \_\_\_\_\_

**Please read the notes on the reverse side hereof.**

## NOTES

1. A member may insert the names of a proxy or the names of two alternative proxies of the member's choice in the space provided, with or without deleting "the Chairman of the general meeting", but any such deletion must be initialled by the shareholder. The person whose name appears first on this form of proxy and which has not been deleted shall be entitled to act as proxy to the exclusion of those whose names follow.
2. The authority of a person signing a proxy in a representative capacity must be attached to this form of proxy unless that authority has already been recorded with the Company's transfer secretaries.
3. Forms of proxy must be lodged at or posted to the Company's transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received not later than 09:00 on Wednesday, 2 December 2009.
4. The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. The Chairman of the general meeting may reject or accept a proxy that is completed, other than in accordance with these instructions and notes, provided that the Chairman is satisfied as to the manner in which a shareholder wishes to vote.