

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

The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this front cover.

**Action required**

- If you are in any doubt as to what action you should take, please consult your CSDP, broker, banker, accountant, attorney or other professional advisor immediately.
- If you have disposed of all of your shares in Brimstone, please forward this circular to the purchaser of such shares or to the CSDP, broker, banker, accountant, attorney or other agent through whom the disposal was effected.



**BRIMSTONE**  
INVESTMENT CORPORATION LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1995/010442/06

Share code: BRT ISIN: ZAE000015277

Share code: BRN ISIN: ZAE000015285

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## Circular to Brimstone shareholders

regarding

- a general authority for financial assistance in terms of sections 44 and 45 of the Companies Act, No 71 of 2008 (the "Companies Act");
- the authorisation of directors' remuneration in terms of section 66 of the Companies Act;

and incorporating

- a notice of general meeting; and
  - a form of proxy (*yellow*) (for use by certificated Brimstone shareholders and dematerialised Brimstone shareholders with own-name registration only).
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Investment bank and sponsor



**NEDBANK** | CAPITAL

Legal advisor



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Date of issue: Friday, 19 August 2011

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## CORPORATE INFORMATION AND ADVISORS

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### **COMPANY SECRETARY AND REGISTERED ADDRESS**

Tiloshani Moodley  
1st Floor, Slade House  
Boundary Terraces  
1 Mariendahl Lane  
Newlands, 7700  
(PO Box 44580, Claremont, 7735)

### **INVESTMENT BANK AND SPONSOR**

Nedbank Capital  
A division of Nedbank Limited  
(Registration number 1951/000009/06)  
135 Rivonia Road  
Sandton, 2196  
(PO Box 1144, Johannesburg, 2000)

### **LEGAL ADVISOR**

Edward Nathan Sonnenbergs Incorporated  
(Registration number 2006/018200/21)  
150 West Street  
Sandown  
Sandton, 2196  
(PO Box 783347, Sandown, 2196)

### **TRANSFER SECRETARIES**

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

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## ACTION REQUIRED BY BRIMSTONE SHAREHOLDERS

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The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this "action required by Brimstone shareholders" section.

**Please take careful note of the following provisions regarding the action required by Brimstone shareholders:**

1. If you are in any doubt as to what action to take, please consult your CSDP, broker, attorney, banker or other professional advisor immediately.
2. If you have disposed of all of your Brimstone shares, please forward this circular to the purchaser of such shares or to the CSDP, broker, banker, attorney or other agent through whom the disposal was effected.
3. The general meeting, convened in terms of the notice of general meeting incorporated in this circular, will be held at Lord's and Kingsmead room in the offices of ASISA, Ground Floor, Bridge House, Boundary Terraces, 1 Mariendahl Lane, Newlands, Cape Town on Monday, 19 September 2011 commencing at 11:00.
4. This circular contains information relating to the transactions. You should carefully read through this circular and decide how you wish to vote on the resolutions to be proposed at the general meeting.

### 5. General meeting

#### 5.1 If you hold dematerialised Brimstone shares

##### 5.1.1 Own-name registration

You are entitled to attend, or be represented by proxy, and may vote, at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*), in accordance with the instructions contained therein, to be received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 11:00 on Thursday, 15 September 2011.

##### 5.1.2 Other than own-name registration

If your CSDP or broker has not contacted you, you are advised to contact your CSDP or broker and provide them with your voting instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

You must not complete the attached form of proxy (*yellow*). In accordance with the mandate between you and your CSDP or broker, you must advise your CSDP or broker timeously if you wish to attend, or be represented at, the general meeting.

Your CSDP or broker will be required to issue the necessary letter of representation to you to enable you to attend, or to be represented at, the general meeting.

#### 5.2 If you hold certificated Brimstone shares

You are entitled to attend, or be represented by proxy, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*), in accordance with the instructions contained therein, to be received by the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 11:00 on Thursday, 15 September 2011.

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## TABLE OF CONTENTS

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	<i>Page</i>
<b>Corporate information and advisors</b>	Inside front cover
<b>Action required by Brimstone shareholders</b>	1
<b>Table of contents</b>	2
<b>Salient dates and times</b>	3
<b>Definitions</b>	4
<b>Circular to Brimstone shareholders</b>	
1. Introduction	6
2. Background and purpose of this circular	6
3. Directors' responsibility statement	8
4. Consents	8
5. Opinion and recommendation	8
6. General meeting and shareholder approval	8
7. Documents available for inspection	9
<b>NOTICE OF GENERAL MEETING OF BRIMSTONE SHAREHOLDERS</b>	10
<b>FORM OF PROXY (<i>yellow</i>)</b>	Attached

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## SALIENT DATES AND TIMES

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The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this "Salient dates and times" section

**2011**

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Circular posted to shareholders on	Friday, 19 August
Record date for the general meeting at 11:00 on	Friday, 9 September
Form of proxy ( <i>yellow</i> ) for the general meeting to be received by 11:00 on	Thursday, 15 September
General meeting at 11:00 on	Monday, 19 September
Results of general meeting announced on SENS on	Monday, 19 September
Results of the general meeting published in the press on	Tuesday, 20 September

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**Notes:**

1. All dates and times shown in this circular are South African dates and times.
2. The above dates and times are subject to amendment. Any such amendment will be published on SENS and in the South African press.
3. Copies of this circular may be obtained in English only during normal business hours at the registered and business address of Brimstone, from Friday, 19 August 2011 up to and including Monday, 19 September 2011.

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## DEFINITIONS

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In this circular, unless otherwise stated or the context otherwise indicates, the words in the first column below shall have the meaning stated opposite them, respectively, in the second column below, reference to the singular shall include the plural and *vice versa*, words denoting one gender shall include the other gender and an expression denoting natural persons shall include juristic persons and associations of persons:

"the board"	the board of directors of Brimstone;
"Brimstone" or "the Company"	Brimstone Investment Corporation Limited (Registration number 1995/010442/06), a public company incorporated and registered in South Africa and the shares of which are listed on the JSE (share codes BRT and BRN);
"Brimstone share(s)"	collectively, Brimstone N ordinary shares and/or Brimstone ordinary shares;
"circular"	this circular, dated Friday, 19 August 2011, including the notice of general meeting and form of proxy ( <i>yellow</i> );
"certificated shareholders"	Brimstone shareholders who hold certificated Brimstone shares;
"certificated share(s)"	Brimstone share(s) represented by a share certificate(s) or other physical document(s) of title, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
"CSDP"	a Central Securities Depository Participant registered in terms of the Securities Services Act and appointed by individual shareholder(s) for the purpose of and in regard to dematerialisation of his (their) Brimstone shares;
"dematerialised share(s)"	Brimstone share(s) that have been dematerialised through a CSDP or broker and are held on the sub-register of shareholders administered by CSDPs in electronic form;
"document(s) of title"	share certificate(s), transfer deed(s) or forms, balance receipts or any other document(s) of title acceptable to Brimstone in respect of certificated shareholder(s);
"directors' remuneration"	the remuneration and benefits payable to the directors of Brimstone in their capacity as such;
"ENS"	Edward Nathan Sonnenbergs Incorporated (Registration number 2006/018200/21), a public company incorporated and registered in South Africa;
"general meeting"	the general meeting of shareholders to be held at Lord's and Kingsmead room in the offices of ASISA, Ground Floor, Bridge House, Boundary Terraces, 1 Mariendahl Lane, Newlands, Cape Town on Monday, 19 September 2011 commencing at 11:00, to consider and, if deemed appropriate, approve the general authority for financial assistance and the directors' remuneration;
"group"	Brimstone and its subsidiaries from time to time;
"JSE"	the stock exchange operated by the JSE Limited (Registration number 2005/0222939/06), a public company incorporated and registered in South Africa, licensed as an exchange under the Securities Services Act, No 36 of 2004, as amended;
"King III"	the King Code of Governance for South Africa 2009;
"Listings Requirements"	the JSE Listings Requirements, as amended from time to time;
"Nedbank"	Nedbank Limited (Registration number 1951/000009/06), a public company incorporated and registered in South Africa and a wholly-owned subsidiary of the JSE-listed Nedbank Group Limited;
"Nedbank Capital"	Nedbank Capital, a division of Nedbank and the investment bank and sponsor to Brimstone;
"Companies Act"	the Companies Act No. 71 of 2008;

"related" and "inter-related"	will herein have the meaning attributed to it in section 2 of the Companies Act;
"SENS"	the Securities Exchange News Service of the JSE;
"shareholder(s)" or "Brimstone shareholder(s)"	the holder(s) of Brimstone share(s);
"solvency and liquidity test"	shall have the meaning ascribed thereto in section 4 of the Companies Act;
"South Africa"	the Republic of South Africa;
"Strate"	Strate Limited (Registration number 1998/022242/06), a company incorporated in South Africa and the electronic settlement system for transactions that take place on the JSE and off-market trades; and
"transfer secretaries" or "Computershare"	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company incorporated and registered in South Africa and the transfer secretaries to Brimstone.



# BRIMSTONE

INVESTMENT CORPORATION LIMITED

(Incorporated in the Republic of South Africa)  
Registration number 1995/010442/06  
Share code: BRT ISIN: ZAE000015277  
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## Directors

Prof G J Gerwel (*Chairperson*)\*  
F Robertson (*Executive Deputy Chairman*)  
M A Brey (*Chief Executive Officer*)  
L Z Brozin (*Financial Director*)  
P L Campher\*+  
M Hewu\*+  
N Khan\*+  
M K Ndebele\*+  
Y Pahad\*+  
L A Parker\*+  
A A Roberts\*+  
F D Roman\*+

\* Non-executive  
+ Independent

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## CIRCULAR TO BRIMSTONE SHAREHOLDERS

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### 1. INTRODUCTION

Due to the Companies Act coming into force on 1 May 2011, the resolutions described in this circular and contained in the attached notice of meeting are necessary for Brimstone to continue to operate in the manner in which has been operating in the past. Shareholder approval is now required for certain day-to-day operational decisions (e.g. providing guarantees to third-party financiers and the provision of intra-group funding) which the Company previously did not require shareholders to approve. Therefore, Brimstone shareholders are advised that the board proposes, subject to shareholder approval, the following:

#### 1.1 General authority for financial assistance:

1.2 Sections 44 and 45 of the Companies Act require *inter alia* shareholders to approve the granting of any direct or indirect financial assistance by a company to its present or future directors and prescribed officers, related or inter-related (as such terms are defined in the Companies Act) companies as well as third parties.

#### 1.3 Directors' remuneration:

Section 66 of the Companies Act requires shareholders to approve the remuneration of directors in respect of their services rendered in their capacity as such. Furthermore, specific remuneration payable to directors must be approved in advance in terms of the JSE Listings Requirements and as recommended by King III.

### 2. BACKGROUND AND PURPOSE OF THIS CIRCULAR

#### 2.1 General authority for financial assistance in terms of section 44 of the Companies Act

The group obtains funding from third-party financial institutions from time to time in order to fund the acquisition of further investments. Typically the funding is provided directly to wholly-owned subsidiaries of Brimstone with Brimstone guaranteeing and/or otherwise securing such funding.

Section 44 of the Companies Act applies to financial assistance provided by a company by way of loans, guarantees, the provision of security or otherwise for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.

Section 44 of the Companies Act provides, *inter alia*, that such financial assistance may be provided by a company only:



- 2.1.1 pursuant to a special resolution of the company's shareholders, adopted within the previous two years, which approved such assistance either for a specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category; and
- 2.1.2 if the board of directors of the company is satisfied that:
  - 2.1.2.1 immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
  - 2.1.2.2 the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

In the circumstances, in order to, *inter alia*, ensure that the Company's subsidiaries and other related and inter-related companies and corporations have access to funding, it is necessary to obtain the approval of shareholders, as set out in Special Resolution Number 1 contained in the notice of general meeting, attached hereto.

The financial assistance to be provided by the Company in terms of section 44 of the Companies Act for which shareholder approval is sought in terms of this circular shall be limited to an aggregate amount of R1 000 000 000.00 (one billion Rand).

## 2.2 **General authority for financial assistance in terms of section 45 of the Companies Act**

The board from time to time wishes to approve, subject to the applicable provisions of the Companies Act, Brimstone's Memorandum of Incorporation and the JSE Listing Requirements:

- 2.2.1 the making of intra-group loans or the provision of other intra-group financial assistance, in an amount not exceeding R700 000 000 (seven hundred million Rand); and
- 2.2.2 the giving of financial assistance to participants in Brimstone's or the group's share employee schemes, which schemes do not satisfy the requirements of section 97 of the Companies Act, in an amount not exceeding R20 000 000.00 (twenty million Rand).

Section 45 of the Companies Act applies to the provision of financial assistance (including loans, guarantees and the provision of security) by a company to a director or prescribed officer of (a) the company or (b) related or inter-related companies or corporations or (c) any person related to such company or corporation. Notwithstanding the title of Section 45 of the Companies Act, being "*Loans or other financial assistance to directors*", this section also applies to financial assistance provided by a company to related or inter-related companies and corporations, including, *inter alia*, its subsidiaries, for any purpose. The shareholders of the Company now thus have to provide authorisation for the Company to provide intra group loans.

Section 45 of the Companies Act provides, *inter alia*, that such financial assistance may be provided by a company only:

- 2.2.4 pursuant to a special resolution of the company's shareholders, adopted within the previous two years, which approved such assistance either for a specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category; and
- 2.2.5 if the board of directors of the company is satisfied that:
  - 2.2.5.1 immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
  - 2.2.5.2 the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

In the circumstances and in order to, *inter alia*, ensure that the Company's subsidiaries have access to financial backing from the Company (as opposed to third party institutions), it is necessary to obtain the approval of shareholders, as set out in Special Resolution Number 2 contained in the notice of general meeting, attached hereto.

Sections 44 and 45 of the Companies Act contain exemptions in respect of employee share schemes that satisfy the requirements of section 97 of the Companies Act. To the extent that any of the Company's share or other employee incentive schemes do not satisfy such requirements, financial assistance (as contemplated in sections 44 and 45) to be provided under such schemes will, *inter alia*, also require approval by special resolution. Accordingly, Special Resolution Number 2 authorises financial assistance to any person who is a participant in any of the Company's share or other employee incentive schemes, in order to facilitate their participation in any such schemes that do not satisfy the requirements of Section 97 of the Companies Act.

### 2.3 Directors' remuneration

The approval of the remuneration of directors (in their capacity as such only) was proposed and approved at the Company's last Annual General Meeting, held on 19 May 2011, in terms of the relevant provisions applicable at that time. However, since this approval was granted by Brimstone shareholders, the Companies Act came into force and effect on 1 May 2011 and, in terms of section 66 thereof, such approval must be given as a special resolution. Accordingly, the Company requests that a resolution for the remuneration of directors in their capacity as such be proposed and passed as a special resolution.

### 2.4 Purpose of this circular

Accordingly, the purpose of this circular is to provide Brimstone shareholders with relevant information relating to a general authority for financial assistance in terms of section 44 and 45 of the Companies Act and directors' remuneration in order for shareholders to make an informed decision in deciding whether or not to vote in favour of the aforementioned resolutions.

## 3. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of Brimstone:

- have considered all statements of fact and opinion in this circular;
- collectively and individually accept full responsibility for the accuracy of the information given;
- certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement false or misleading;
- have made all reasonable enquiries in this regard; and
- certify that, to the best of their knowledge and belief, this circular contains all information required by law and the Listings Requirements.

## 4. CONSENTS

Nedbank Capital, ENS and Computershare have provided their written consent to act in the capacity stated and to their name being used in the circular and have not withdrawn their consent prior to the publication of the circular.

## 5. OPINION AND RECOMMENDATION

The directors are of the opinion that the general authority for financial assistance and the approval of the Company's directors' remuneration will be beneficial to Brimstone and its shareholders and recommend that shareholders vote in favour of the necessary resolutions to be proposed at the general meeting.

The directors of Brimstone with interests in the Company intend to vote in favour of the resolutions to be proposed at the general meeting to approve the general authority for financial assistance and the approval of the Brimstone directors' remuneration.

## 6. GENERAL MEETING AND SHAREHOLDER APPROVAL

### 6.1 Notice of general meeting

A notice convening a general meeting of Brimstone shareholders is attached to this circular. The general meeting will be held at Lord's and Kingsmead room in the offices of ASISA, Ground Floor, Bridge House, Boundary Terraces, 1 Mariendahl Lane, Newlands, Cape Town on Monday, 19 September 2011 commencing at 11:00 to consider and, if deemed fit, pass, with or without modification, the requisite special and ordinary resolutions to approve and implement the transactions.

### 6.2 If you have dematerialised ordinary shares

- Own-name registration

You are entitled to attend, or be represented by proxy, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*), in accordance with the instructions contained therein,

to be received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 11:00 on Thursday, 15 September 2011.

- Other than own-name registration

If your CSDP or broker has not contacted you, you are advised to contact your CSDP or broker and provide them with your voting instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

You must not complete the attached form of proxy (*yellow*). In accordance with the mandate between you and your CSDP or broker, you must advise your CSDP or broker timeously if you wish to attend, or be represented at, the general meeting.

Your CSDP or broker will be required to issue the necessary Letter of Representation to you to enable you to attend, or to be represented at, the general meeting.

### 6.3 If you hold certificated ordinary shares

- You are entitled to attend, or be represented by proxy, and may vote at the general meeting.
- If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*), in accordance with the instructions contained therein, to be received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 11:00 on Thursday, 15 September 2011.

## 7. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the registered offices of Brimstone, from the date of the circular up to and including the date of the general meeting:

- a signed copy of this circular;
- the Memorandum of Incorporation of Brimstone; and
- the written consents of Nedbank Capital, ENS and Computershare as set out in paragraph 4 of the circular.

By order of the Board

**M A Brey**

*Chief Executive Officer*

Cape Town

Friday, 19 August 2011

### **Registered office**

1st Floor, Slade House  
Boundary Terraces  
1 Mariendahl Lane  
Newlands, 7700  
(PO Box 44580, Claremont, 7735)

### **Transfer secretaries**

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



# BRIMSTONE

INVESTMENT CORPORATION LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1995/010442/06

Share code: BRT ISIN: ZAE000015277

Share code: BRN ISIN: ZAE000015285

("Brimstone" or the "Company")

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## NOTICE OF GENERAL MEETING OF BRIMSTONE SHAREHOLDERS

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The board of directors of Brimstone has determined that the record date for the purpose of determining which shareholders are entitled to participate in and vote at the general meeting as 11:00 on Friday, 9 September 2011.

Notice is hereby given that a general meeting of Brimstone shareholders will be held at Lord's and Kingsmead room in the offices of ASISA, Ground Floor, Bridge House, Boundary Terraces, 1 Mariendahl Lane, Newlands, Cape Town on Monday, 19 September 2011 at 11:00 for the purpose of considering and, if deemed fit, passing, with or without modification, the following resolutions:

### **SPECIAL RESOLUTION NUMBER 1: GENERAL AUTHORITY FOR FINANCIAL ASSISTANCE TO ANY BANK AND/OR LONG-TERM INSURER IN TERMS OF SECTION 44 OF THE COMPANIES ACT 71 OF 2008**

RESOLVED AS A SPECIAL RESOLUTION THAT the Company is hereby authorised, subject to compliance with its Memorandum of Incorporation and the applicable provisions of the Companies Act 71 of 2008 ("the Companies Act"), including, but not limited to, the board of the Company being satisfied that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as contemplated in section 4 of the Companies Act) and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company, to provide direct or indirect financial assistance, by way of loans, guarantees, the provision of security or otherwise, in an aggregate amount not exceeding R1 000 000 000.00 (one billion Rand), to any bank registered as such in terms of the Banks Act, 94 of 1990 and/or any subsidiary (as such term is defined in the Companies Act) and/or any affiliate of that bank and/or to any long-term insurer registered as such in terms of the Long-Term Insurance Act, 52 of 1998 and/or any subsidiary and/or any affiliate thereof, for the purpose of or in connection with the subscription of any option, or any securities (as such term is defined in the Companies Act) issued or to be issued by the Company or a related or inter-related company (as such term is defined in section 2 of the Companies Act), or for the purchase of any securities of the Company or a related or inter-related company, such authority to endure for a period of 2 (two) years from the date of this resolution.

The reason for, and effect of, Special Resolution Number 1 referred to above, is to permit the Company to provide direct or indirect financial assistance to the financial institutions referred to above for the obligations of entities related to or inter-related to the Company.

### **SPECIAL RESOLUTION NUMBER 2: GENERAL AUTHORITY FOR FINANCIAL ASSISTANCE TO SUBSIDIARIES, RELATED OR INTER-RELATED COMPANIES OR CORPORATIONS, DIRECTORS AND PRESCRIBED OFFICERS IN TERMS OF SECTION 45 OF THE COMPANIES ACT**

RESOLVED AS A SPECIAL RESOLUTION THAT the board of directors of the Company may, subject to compliance with the requirements of the Company's Memorandum of Incorporation and the applicable provisions of the Companies Act, including, but not limited to, the board being satisfied that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as contemplated in section 4 of the Companies Act) and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance by way of loans, guarantees, the provision of security or otherwise to:

- any of its present or future related or inter-related (as contemplated in section 2 of the Companies Act) companies or corporations (the "Group"), or to any person related to any such company or corporation, for any purpose in an aggregate amount not exceeding R700 000 000.00 (seven hundred million Rand); and
- any person who is a participant in any of the Company's or Group's share or other employee incentive schemes, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or

a related or inter-related company, where such financial assistance is provided in terms of any such scheme that does not satisfy the requirements of section 97 of the Companies Act, in an amount not exceeding R20 000 000.00 (twenty million Rand),

such authority to endure for a period of 2 (two) years from the date of this resolution.

The reason for and effect of Special Resolution Number 2 is to permit the Company to provide direct or indirect financial assistance to the entities referred to above.

### SPECIAL RESOLUTION NUMBER 3: DIRECTORS' REMUNERATION

RESOLVED AS A SPECIAL RESOLUTION THAT the directors' remuneration, for their services as directors as such (in terms of Section 66 (8 and 9) of the Companies Act), as set out below, be and is hereby approved for a period of 2 (two) years from the passing of this resolution or until its renewal, whichever is the earlier:

#### Directors' remuneration (in their capacity as directors) for the period:

	1/1/2011 – 30/6/2011	1/7/2011 – 31/12/2011	1/1/2012 – 30/6/2012
<b>Board (Fee for the period)</b>			
Chairman	R293 826	R348 822	R348 822
Lead independent director	R26 500	R79 500	R79 500
Member	R26 500	R53 000	R53 000
<b>Committees (Per meeting)</b>			
Audit Committee			
Chairman	R9 540	R19 080	R19 080
Member	R5 300	R10 600	R10 600
Investment Committee			
Chairman	R7 950	R15 900	R15 900
Member	R5 300	R10 600	R10 600
Human Resources and Nominations Committee			
Chairman	R7 950	R15 900	R15 900
Member	R5 300	R10 600	R10 600

The reason for Special Resolution Number 3 is that section 66(9) of the Companies Act requires the shareholders to approve the remuneration payable to directors in respect of their services as directors. Furthermore, specific remuneration payable to directors must be approved in advance in terms of the JSE Listings Requirements and as recommended by King III. The effect of Special Resolution Number 3 is that the directors' remuneration as such is approved.

### ORDINARY RESOLUTION: AUTHORITY OF DIRECTORS TO SIGN DOCUMENTATION

Any 1 (one) director of the Company be and is hereby authorised to do all such things and sign all such agreements, notices, certificates and any other documents as are necessary to give effect to the above resolutions and the transactions contemplated therein, to perform all acts required thereunder and to give effect to any amendments thereto as may be determined by such director to be requisite or desirable and to render the same unconditional and to the extent any director has done so, the actions of such director are hereby ratified.

### Voting and Proxies

A Brimstone shareholder entitled to attend and vote at the general meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. **A proxy need not be a shareholder of the Company.** For the convenience of registered certificated Brimstone shareholders or Brimstone shareholders who have dematerialised their Brimstone shares with own-name registration, a form of proxy (*yellow*) is attached hereto. Duly completed forms of proxy (*yellow*) must be lodged with the transfer secretaries at the address below by no later than 11:00 on Thursday, 15 September 2011 (or 48 hours before any adjourned general meeting which date, if necessary, will be notified in the press and on the JSE Limited Securities Exchange News Service).

Brimstone shareholders who have dematerialised their Brimstone shares and have not selected own-name registration must advise their Central Securities Depository Participant ("CSDP") or broker of their voting instructions should they

be unable to attend the general meeting but wish to be represented thereat. Dematerialised Brimstone shareholders without own-name registration should contact their CSDP or broker with regard to the cut-off time for their voting instructions. If, however, such members wish to attend the general meeting in person, then they will need to request their CSDP or broker to provide them with the necessary Letter of Representation in terms of the custody agreement entered into between the dematerialised shareholder and their CSDP or broker.

By order of the Board

**M A Brey**

*Chief Executive Officer*

Cape Town

Friday, 19 August 2011

**Registered office**

1st Floor, Slade House  
Boundary Terraces  
1 Mariendahl Lane  
Newlands, 7700  
(PO Box 44580, Claremont, 7735)

**Transfer secretaries**

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(Incorporated in the Republic of South Africa)  
 Registration number 1995/010442/06  
 Share code: BRT ISIN: ZAE000015277  
 Share code: BRN ISIN: ZAE000015285  
 ("Brimstone" or the "Company")

## FORM OF PROXY

(FOR USE BY HOLDERS OF CERTIFICATED SHARES AND DEMATERIALISED SHARES WITH OWN-NAME REGISTRATION ONLY)

For use by the Company's certificated shareholders and dematerialised shareholders with "own-name" registration at the general meeting of shareholders of the Company to be held at Lord's and Kingsmead room in the offices of ASISA, Ground Floor, Bridge House, Boundary Terraces, 1 Mariendahl Lane, Newlands, Cape Town, on Monday, 19 September 2011 at 11:00 and at any adjournment thereof.

Shareholders who have dematerialised their shares, other than with "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 authorisation to attend 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. Such shareholders must not return this form of proxy to the transfer secretaries.

I/we (Please print names in full)

of (address)

being the holder(s) of  Brimstone ordinary shares, and/or  Brimstone N ordinary shares, do hereby appoint (see note 1):

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

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

3. The Chairman of the general meeting,

as my/our proxy to vote for me/us at the general meeting which will be held for the purpose of considering, and, if deemed fit, passing, with or without modifications, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name/s (see note 1) as follows:

	Number of ordinary shares			Number of N ordinary shares		
	For	Against	Abstain	For	Against	Abstain
<b>Special Resolution Number One</b> relating to provision of direct or indirect financial assistance to any bank or long-term insurer						
<b>Special Resolution Number Two</b> relating to provision of direct or indirect financial assistance to subsidiaries, related or inter-related companies or corporations, directors and prescribed officers						
<b>Special Resolution Number Three</b> relating to directors' remuneration						
<b>Ordinary Resolution Number One</b> authorising directors of the Company to sign documents						

and generally to act as my/our proxy at said general meeting.

(Please indicate with an "X" whichever is applicable. If no instruction is given, the proxy holder will be entitled to vote or abstain from voting as the proxy holder deems fit.)

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Signature/s \_\_\_\_\_

assisted by me (where applicable) \_\_\_\_\_

Each Brimstone shareholder is entitled to appoint one or more proxies (who need not be a shareholder/s of the Company) to attend, speak and vote in place of that shareholder at the general meeting.

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

## NOTES

1. A Brimstone shareholder entitled to attend and vote may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the general meeting". A proxy need not be a shareholder of the Company. The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow. A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.
2. A Brimstone shareholder is entitled to one vote on a show of hands and, on a poll, a Brimstone shareholder is entitled to one vote for each Brimstone share held. A Brimstone shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the Brimstone shareholder in the appropriate box. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the general meeting as he/she deems fit in respect of all the Brimstone shareholders' votes.
3. A vote given in terms of an instrument of proxy shall be valid in relation to the general meeting, notwithstanding the death of the person granting it, or the revocation of the proxy, or the transfer of the Brimstone shares in respect of which the vote is given, unless notice in writing of such death, revocation or transfer is received by the transfer secretaries not less than 48 hours before the commencement of the general meeting.
4. If a Brimstone shareholder does not indicate on this form of proxy that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the general meeting be proposed, the proxy shall be entitled to vote as he/she thinks fit.
5. The Chairman of the general meeting may reject or accept any form of proxy which is completed and/or received, other than in compliance with these notes.
6. The completion and lodging of this form of proxy will not preclude the relevant Brimstone shareholder from attending the general meeting and speaking and voting in person thereat, to the exclusion of any proxy appointed in terms hereof, should such Brimstone shareholder wish to do so.
7. 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 or unless this requirement is waived by the Chairman of the general meeting.
8. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Company.
9. Where there are joint holders of Brimstone shares:
  - 9.1 any one holder may sign this form of proxy;
  - 9.2 the vote(s) of the senior shareholder (for that purpose seniority will be determined by the order in which the names of Brimstone shareholders appear in the Company's register of Brimstone shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint Brimstone shareholder(s).
10. Brimstone shareholders (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the general meeting. Forms of identification include valid identity documents, driver's licences and passports.
11. Forms of proxy should be lodged with or mailed to Computershare Investor Services (Proprietary) Limited:

**Hand deliveries of proxy forms to:**

Computershare Investor Services (Proprietary) Limited  
Ground Floor, 70 Marshall Street  
Johannesburg 2001

to be received by no later than 11:00 on Thursday, 15 September 2011 (or 48 hours before any adjourned general meeting which date, if necessary, will be notified in the press and on the JSE Limited Securities Exchange News Service).

**Postal deliveries of proxy forms to:**

Computershare Investor Services (Proprietary) Limited  
PO Box 61051  
Marshalltown, 2107

12. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatory/ies.

**Registered office**

1st Floor, Slade House  
Boundary Terraces  
1 Mariendahl Lane  
Newlands, 7700  
(PO Box 44580, Claremont, 7735)

**Transfer secretaries**

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





