

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000057428

("Reunert" or "the Company")

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the ninety-third annual general meeting of members of Reunert Limited will be held in the Reunert boardroom, Lincoln Wood Office Park, 6-10 Woodlands Drive, Woodmead on Tuesday, 6 February 2007 at 10:00 for the following purposes:

1. To receive and adopt the audited group annual financial statements for the year ended 30 September 2006.
 2. To elect the following directors:
 - 2.1 Mr SD Jagoe who retires in terms of the company's articles of association and being eligible, offers himself for re-election.
 - 2.2 Mr KJ Makwetla who retires in terms of the company's articles of association and being eligible, offers himself for re-election.
 - 2.3 Mr GJ Oosthuizen who retires in terms of the company's articles of association and being eligible, offers himself for re-election.
 - 2.4 Mr MJ Shaw who retires in terms of the company's articles of association and being eligible, offers himself for re-election.
- A brief curriculum vitae in respect of each director referred to above appears on pages 8 and 9 of the annual report.
3. To determine the remuneration of non-executive directors with effect from 1 October 2006 in accordance with the company's articles of association as follows:

	Current per annum	Proposed per annum
Chairman	R370 000	R393 000
Non-executive directors	R85 000	R91 000
Audit and risk committee chairman	R70 000	R75 000
Audit and risk committee member	R50 000	R53 000
Remuneration and nomination committee chairman	R40 000	R43 000
Remuneration and nomination committee member	R35 000	R38 000

4. Ordinary resolution number 1

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

"That the Reunert 2006 Option Scheme ("the scheme") (a summary of the principal terms of the scheme is contained in Appendix 1 to the notice of annual general meeting dated 6 December 2006), be and is hereby approved and that the directors of Reunert Limited ("the company") be and are hereby authorised to take all such steps as may be necessary for the establishment and carrying into effect of the scheme, including the award of options to employees under the scheme, with an exercise price equal to the closing price of an ordinary share of the company on the JSE Limited on the trading day preceding the day on which the relevant award was made."

5. Ordinary resolution number 2

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

"That 4 400 000 (four million four hundred thousand) of the unissued ordinary shares of 10 cents each in the authorised capital of the company be reserved to meet the requirements of the Reunert 1985 Share Option Scheme and the Reunert 1988 Share Purchase Scheme and that the directors be and they are hereby specifically authorised to allot and issue those shares in terms of the scheme for the purposes of the Reunert 1985 Share Option Scheme and the 1988 Share Purchase Scheme."

6. Special resolution number 1

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

"That the company hereby approves, as a general approval contemplated in sections 85(2) and 85(3) of the Companies Act (Act 61 of 1973), as amended ("the Companies Act") the acquisitions by the company, and/or any subsidiary of the company, from time to time, of the issued ordinary shares of the company, upon such terms and conditions and in such amounts as the directors of the company may from time to time determine, but subject to the articles of association of the company, the provisions of the Companies Act and the Listings Requirements of the JSE Limited ("JSE"), when applicable, and provided that:

- the repurchase of securities being effected through the order book operated by the JSE trading system and done without any prior arrangement between the company and the counter party (reported trades are prohibited);
- this authority shall not extend beyond 15 (fifteen) months from the date of this meeting or the date of the next annual general meeting, whichever is the earlier date;
- any such repurchase be implemented on the open market of the JSE;
- at any point in time, the company only appoints one agent to effect any repurchase(s) on its behalf;
- the company or its subsidiaries are not repurchasing securities during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements;
- a paid press release giving such details as may be required in terms of the Listings Requirements of the JSE be published when the company or its subsidiaries have cumulatively repurchased 3% (three per cent) of the shares in issue and for every 3% (three per cent) in aggregate of the initial number of that class acquired thereafter;
- the general repurchase(s) may not in the aggregate in any one financial year exceed 20% (twenty per cent) of the number of shares in the company's issued share capital at the beginning of the financial year provided that a subsidiary of the company may not hold at any one time more than 10% (ten per cent) of the number of issued shares of the company;
- in determining the price at which the company's ordinary shares are acquired by the company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten per cent) of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the repurchase of such ordinary shares by the company;
- the sponsor to the company provides a letter on the adequacy of working capital in terms of section 2.14 of the JSE Listings Requirements prior to any repurchases being implemented on the open market of the JSE;
- after such repurchase the company will still comply with paragraphs 3.37 to 3.41 of the JSE Listings Requirements concerning shareholder spread requirements;
- the directors undertake that, for a period of 12 (twelve) months following the date of the notice of the annual general meeting or for the period of the general authority, whichever is the longer, they will not undertake any such repurchases unless:
 - the company and the group will, after payment for such maximum repurchases, be able to repay their debts in the ordinary course of business;
 - the company's and the group's assets, fairly valued according to Generally Accepted Accounting Practice and on a basis consistent with the last financial year of the company, will, after such payment, exceed their liabilities;
 - the company's and the group's ordinary share capital and reserves will, after such payment, be sufficient to continue operations; and
 - the company and the group will, after such payment, have sufficient working capital to continue operations.

Directors' responsibility statement

The directors, whose names are given on pages 8 and 9 of the annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution and certify that to the best of their knowledge and belief 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 resolution contains all information required by law and by the Listings Requirements of the JSE.

The board has no immediate intention to use this authority to repurchase shares in the company. However, the board is of the opinion that this authority should be in place should it become appropriate to undertake a share repurchase in the future.

The reason for and the effect of the special resolution is to grant the company's directors a general authority, up to and including the date of the following annual general meeting of the company, to approve the company's purchase of shares in itself, or to permit a subsidiary of the company to purchase shares in the company.

Additional disclosures

Other disclosures in terms of the JSE Listings Requirements:

The JSE Listings Requirements require the following disclosures, some of which are elsewhere in the annual report as set out below:

- Directors and management – pages 8 to 20;
- Major shareholders of Reunert – page 112;
- Directors' interests and securities – page 52 and note 29;
- Share capital of the company – note 23;
- Litigation statement – page 48; and
- Material change – page 48.

7. Special resolution number 2

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

"That the company hereby approves, as a specific approval contemplated in terms of section 85(2) of the Companies Act, 1973, as amended, the Listings Requirements of the JSE Limited and article 29(a) of the company's articles of association, the acquisition by the company of 563 631 ordinary par value shares in the company's issued ordinary share capital from Bargenel Investments Limited, at a consideration per ordinary share equal to the closing market price of such share on the JSE Limited on the trading day immediately prior to the acquisition."

The reason for this special resolution is to obtain a specific approval in terms of section 85(2) of the Companies Act, 1973, as amended, for the acquisition by the company of 563 631 of its issued ordinary par value shares from Bargenel Investments Limited.

The effect of this special resolution is to enable the company, by way of a specific authority, to acquire 563 631 of its issued ordinary par value shares from Bargenel Investments Limited.

Note

Any shares acquired pursuant to the approval referred to above will be cancelled as issued shares and restored to the status of authorised shares forthwith.

No shares will be acquired pursuant to that authority if ordinary resolution number 3 is not passed.

8. Ordinary resolution number 3

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

"That the sale by the company of all of the ordinary shares which it holds in the issued share capital of Bargenel Investments Limited to Rebatona Investment Holdings (Proprietary) Limited (2006/031544/07), upon the terms and subject to the conditions of the Sale of Shares Agreement dated 20 November 2006 between the company and Rebatona Investment Holdings (Proprietary) Limited (2006/031544/07), details of which are set out in the circular dated 13 December 2006 sent to ordinary shareholders of the company, be and is hereby approved."

This resolution requires the approval of no less than a 75% (seventy-five percent) majority of the votes cast by shareholders present in person or represented by proxy at the annual general meeting in accordance with the provisions of the JSE Listings Requirements. Accordingly, if that requisite majority is not obtained, this resolution will not be regarded as having taken effect unless the JSE Limited authorises otherwise.

9. **Ordinary resolution number 4**

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

“That, subject to the passing and registration of special resolution 2, the directors of the company be and are hereby authorised, by way of a specific authority in terms of section 221 of the Companies Act, 1973, as amended, and the Listings Requirements of the JSE Limited, to allot and issue to the Reunert Staff Share Trust, as a specific issue for cash, a maximum of 600 000 ordinary shares in the authorised but unissued share capital of the company, at a subscription price per ordinary share of its par value, for purposes of the employee transaction, details of which are set out in the circular dated 13 December 2006 sent to shareholders of the company.”

This resolution requires the approval of no less than a 75% (seventy-five percent) majority of the votes cast by ordinary shareholders present in person or represented by proxy at the annual general meeting in accordance with the provisions of the JSE Listings Requirements. Accordingly, if that requisite majority is not obtained, this resolution will not be regarded as having taken effect unless the JSE Limited authorises otherwise.

10. **Ordinary resolution number 5**

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

“That any director or the secretary of the company be and is hereby authorised to sign all such documentation, take all such steps and do all such other things as may be necessary in order to give effect to special resolution 2 and ordinary resolutions 3 and 4 in accordance with, and subject to, the terms thereof.”

Voting and proxies

A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company. For the convenience of registered members of the company, a form of proxy is enclosed herewith. Proxy forms must be forwarded to reach the share transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107, Johannesburg) so as to be received by them not later than 24 hours before the time fixed for the meeting (excluding Saturdays, Sundays and public holidays).

On a show of hands, every member of the company present in person or represented by proxy shall have one vote only. On a poll, every Reunert ordinary shareholder shall have one vote for every share held in the company by such member.

A Reunert preference shareholder will be entitled to attend the annual general meeting and to vote on special resolution number 2 set out above. On a poll every Reunert preference shareholder who is present in person or by proxy at the annual general meeting shall have twenty votes for every Reunert preference share held or represented.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant (“CSDP”) or broker and wish to attend the annual general meeting, must instruct their CSDP or broker to provide them with a Letter of Representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement/mandate entered into between them and the CSDP or broker.

By order of the board
Reunert Management Services Limited
Company Secretaries
Sandton
6 December 2006

Change of address and banking details

Shareholders are requested to notify any change of address or banking details to the share transfer secretaries.

APPENDIX 1

Summary of the principal terms of the Reunert 2006 Option Scheme and the Reunert Phantom Share Scheme

1. Reunert Limited ("the company") believes that it is in the interests of stakeholders to introduce two new long-term employee incentive schemes ("the new scheme"). This is required because of recent changes made to tax laws and international accounting standards. The introduction of the new scheme will take place in the following context:
 - 1.1 No further options will be issued in terms of the 1985 Reunert Share Option Scheme ("the existing scheme"). However, the existing scheme will remain in place until all the vested rights of participants in the existing scheme have been met.
 - 1.2 In future all options or notional options will be granted in terms of the new scheme.
 - 1.3 The new scheme will comprise the Reunert 2006 Option Scheme ("option scheme") and the Reunert Phantom Share Scheme ("phantom scheme"). This will provide the board with maximum flexibility to issue share-based incentives depending on circumstances prevailing at the time of issuing.
 - 1.4 The rules of the option scheme will be substantially similar to the existing scheme, except it is the intention of the company that shares already in issue shall be acquired pursuant to the exercise of an option under the option scheme, whereas the existing scheme only provided for the issuing of shares pursuant to the exercise of an option. The phantom scheme is cash settled and will therefore not provide for a participant receiving a loan once the right in terms of the phantom scheme vests. In other respects however, it will be substantially similar to the existing scheme. The aggregate number of ordinary shares which may be notionally relevant to the new scheme and the existing scheme will not exceed the maximum numbers of shares which apply to the existing scheme. The same principle applies to the maximum numbers of shares or notional shares which any individual participant may receive.
 - 1.5 A summary of the rules of the option scheme is set out in paragraphs 2 to 8 hereafter. A summary of the phantom scheme is reflected in paragraphs 9 to 14 hereafter.

Summary of the principal terms of the Reunert 2006 Option Scheme

2. The aggregate number of ordinary shares in the company ("the shares") which may be utilised for the option scheme or other company share-based schemes referred to in 1.4 above, will not exceed 15% of the issued ordinary share capital of the company. No employee is entitled to acquire in excess of 2 000 000 shares in the aggregate in terms of the option scheme and the other share-based company schemes referred to in 1.4 above.
3. In terms of the option scheme, the board, after consideration of nominations from an employer company within the Reunert group, will award options to acquire shares to participating employees. One third of the options awarded will vest three years after the date of an award to an employee, two thirds of the options awarded will vest four years after the date of the award, and the balance will vest five years after that date. The board shall have the power to vary these vesting periods, and the exercise period referred to in paragraph 4 below. Notwithstanding the vesting period outlined above, the unexercised options of a participating employee that retires, dies or whose employment terminates as a result of becoming disabled, shall be immediately exercisable.
4. After the options awarded to an employee have vested, that employee is entitled to exercise his/her options. The exercise price in respect of an option is the closing price of a share on the JSE on the trading day immediately prior to the day on which the option is awarded to the employee. The award of options does not entitle an employee to any rights in respect of the shares, until the shares are delivered to the employee upon the exercise of his/her options and payment of the strike price.

5. Options shall lapse and fall away ten years after the date of an award of such options to an employee. Options awarded to employees who leave the employ of the employer company within the Reunert group for any reason (save for death, retirement or disability) prior to the options vesting in accordance with the new scheme will lapse, subject to the discretion of the board. Options awarded to employees who die shall lapse five years after the death of the employee.
6. In the event that a participating employee intends to exercise options held by him/her and requires a loan for such purposes, the employer company shall make a loan to the employee, subject to approval thereof by the board. The amount of the loan shall be paid by the employer company to the trust which shall use the funds to acquire shares on behalf of the employee. Interest shall be charged on all loans. Repayment of the loan by the employee (including retired employees) may be made at any time provided that the loan is repaid in full within ten years after the date of the award to the employee. The board shall have the power to vary the repayment period of any loan, provided that the loan must be repaid within the ten-year period.
7. In the event of a reorganisation or a transaction that has an effect on the capital of the company, the board has the power to adjust the benefits due to an employee in order to ensure that neither the employee nor the company are prejudiced. No material aspect of the option scheme may be amended without the approval of the shareholders of the company. The new scheme shall terminate by resolution of the board.

Summary of the principal terms of the Reunert Phantom Share Scheme

8. In terms of the phantom scheme, the board having received nominations from employer companies shall select employees to participate in the phantom scheme and shall determine the extent of their participation. Participating employees are required to remain in the employ of their respective employer company within the Reunert group for a period of three years in order to benefit in terms of the phantom scheme.
9. Upon the expiry of the three-year period, the participating employee shall be entitled to receive a bonus calculated by multiplying the extent of his/her participation in the phantom scheme (expressed as a numeral) by the difference between the volume weighted average closing price of a share on the JSE over the 20 trading days immediately prior to expiry of that period, and the closing price of a share on the JSE on the trading day before the day on which the employee became a participant. The board shall have the discretion to allow an employee to receive his/her bonus prior to the expiry of the three-year period using the same formula with reference to the earlier receipt date. A participating employee shall not receive any shares under the phantom scheme.
10. Subject to the discretion of the board, a participating employee's rights under the phantom scheme shall lapse immediately should the employee leave the employ of the employer company within the Reunert group for any reason (save for death, retirement or as a result of disability) prior to the expiry of the three-year lock-in period. A participating employee that retires, dies or whose employment terminates as a result of becoming disabled, shall be entitled to receive his/her bonus immediately.
11. In the event of a reorganisation or a transaction that has an effect on the capital of the company, the board has the power to adjust the benefits due to an employee in order to ensure that neither the employee nor the company are prejudiced. The board has the power to amend the phantom scheme. The phantom scheme shall terminate by resolution of the board.
12. The phantom scheme is cash settled and will, therefore, not provide for a participant receiving a loan once the rights in terms of this phantom scheme vest.