

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions commencing on page 6 apply throughout this Circular including this front cover:

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.

### Actions required

1. If you have disposed of all of your HCI Shares, this Circular should be handed to the purchaser of such HCI Shares or to the Broker, CSDP, banker, attorney or other agent through whom the disposal was effected.
2. HCI Shareholders are referred to page 1 of this Circular, which sets out the actions required by them.



## HOSKEN CONSOLIDATED INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1973/007111/06

Share code: HCI ISIN: ZAE000003257

## CIRCULAR TO HCI SHAREHOLDERS

regarding:

- the *pro-rata* offer by HCI to repurchase up to a maximum of 4 033 129 HCI Shares in its issued share capital from HCI Shareholders in exchange for the distribution *in specie* of 11.95191 Niveus Investments Shares for each HCI Repurchase Share;
- the General Meeting of HCI;

and incorporating:

- a notice convening the General Meeting of HCI Shareholders;
- a form of proxy (for use only by Certificated HCI Shareholders and Own-name Dematerialised HCI Shareholders); and
- a Form of Election, Surrender and Transfer (*blue*) for use by Certificated HCI Shareholders only.

### Investment bank

*Out of the Ordinary*®



### Sponsor

*Out of the Ordinary*®



### Legal advisers



Date of issue: 30 July 2012

This Circular is available in English only and copies hereof may be obtained from the registered offices of HCI whose registered address is set out in the "Corporate information and advisers" section of this Circular, during normal business hours on Business Days from 30 July 2012 to 30 August 2012, both days inclusive.

---

## CORPORATE INFORMATION AND ADVISERS

---

### Directors of HCI

M Golding (*Executive Chairman*)  
J Copelyn (*Chief Executive Officer*)  
T Govender (*Chief Financial Officer*)  
V Engel\*  
V Mphande\*  
M Molefi\*\*  
J Ngcobo\*\*  
Y Shaik\*\*  
F Magugu\*\*

\* Non-executive Directors

\*\* Independent non-executive Directors

### Company secretary and registered office of HCI

HCI Managerial Services Proprietary Limited  
(registration number 1996/017874/07)  
Block B, Longkloof Studios  
Darters Road  
Gardens  
Cape Town  
8001  
(PO Box 5251, Cape Town, 8000)

### Investment bank and sponsor

Investec Bank Limited  
(registration number 1969/004763/06)  
100 Grayston Drive  
Sandown  
Sandton  
2196  
(PO Box 785700, Sandton, 2146)

### Legal advisers

Edward Nathan Sonnenbergs Inc.  
(registration number 2006/018200/21)  
1 North Wharf Square  
Loop Street  
Foreshore  
Cape Town  
8001  
(PO Box 2293, Cape Town, 8000)

### Transfer secretaries

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

### Date and place of incorporation

1973, South Africa

---

## ACTIONS REQUIRED BY HCI SHAREHOLDERS

---

This Circular is important and requires your immediate attention.

Please take careful note of the following provisions regarding the action required by HCI Shareholders. If you are in any doubt as to what actions to take, please consult your attorney, Broker, CSDP or other professional adviser immediately.

If you have disposed of all of your HCI Shares, this Circular should be handed to the purchaser of such shares or the attorney, Broker, CSDP or other agent who disposed of your shares for you.

The General Meeting of HCI Shareholders will be held at 10:00 on Thursday, 30 August 2012 in the boardroom at Block B, Longkloof Studios, Darters Road, Gardens, Cape Town to consider and, if deemed fit, pass the ordinary and special resolutions required to authorise the implementation of the *Pro-rata* Repurchase and Distribution. The notice convening the General Meeting is attached to and forms part of this Circular.

### I. **DEMATERIALIZED HCI SHAREHOLDERS WHO ARE NOT OWN-NAME DEMATERIALIZED HCI SHAREHOLDERS:**

#### I.1 **Voting at the General Meeting**

- I.1.1 Your Broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and should thereafter cast your vote in accordance with your instructions.
- I.1.2 If you have not been contacted by your Broker or CSDP, it is advisable for you to contact your Broker or CSDP and furnish it with your voting instructions.
- I.1.3 If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your Broker or CSDP.
- I.1.4 You must not complete the attached form of proxy.

#### I.2 **Attendance and representation at the General Meeting**

In accordance with the mandate between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to attend the General Meeting and if so, your Broker or CSDP will issue the necessary letter of representation to you to attend and vote at the General Meeting.

#### I.3 **Election to participate in the *Pro-rata* Repurchase and Distribution**

- I.3.1 You must advise your CSDP or Broker, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker, as to the number of HCI Shares in respect of which you are electing to participate in the *Pro-rata* Repurchase and Distribution.
- I.3.2 You must advise your CSDP or Broker, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker, as to the additional number of HCI Shares you would like to tender in terms of the Excess Applications.
- I.3.3 If you fail to advise your CSDP or Broker of your election, your CSDP or Broker will make an election on your behalf in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker.
- I.3.4 If your election is not received by the Transfer Secretaries before 12:00 on the Record Date, you will be deemed to have elected not to participate in the *Pro-rata* Repurchase and Distribution.
- I.3.5 You must **not** complete the attached Form of Election, Surrender and Transfer (*blue*).

#### I.4 **Surrender of Documents of Title**

You do not have to surrender any Documents of Title. This will be done by your CSDP or Broker.

## 2. **DEMATERIALIZED HCI SHAREHOLDERS WHO ARE OWN-NAME DEMATERIALIZED HCI SHAREHOLDERS:**

### 2.1 **Voting and attendance at the General Meeting**

- 2.1.1 You may attend the General Meeting in person and may vote at the General Meeting.
- 2.1.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions contained therein and returning it to the Transfer Secretaries, to be received by them no later than 10:00 on Tuesday, 28 August 2012.

### 2.2 **Election to participate in the *Pro-rata* Repurchase and Distribution**

- 2.2.1 You must advise your CSDP or Broker, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker, as to the number of HCI Shares in respect of which you are electing to participate in the *Pro-rata* Repurchase and Distribution.
- 2.2.2 You must advise your CSDP or Broker, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker, as to the additional number of HCI Shares you would like to tender in terms of the Excess Applications.
- 2.2.3 If you fail to advise your CSDP or Broker of your election, your CSDP or Broker will make an election on your behalf in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker.
- 2.2.4 If your election is not received by the Transfer Secretaries before 12:00 on the Record Date, you will be deemed to have elected not to participate in the *Pro-rata* Repurchase and Distribution.
- 2.2.5 You must **not** complete the attached Form of Election, Surrender and Transfer (*blue*).

### 2.3 **Surrender of Documents of Title**

You do not have to surrender any Documents of Title. This will be done by your CSDP or Broker.

## 3. **CERTIFICATED HCI SHAREHOLDERS:**

### 3.1 **Voting and attendance at the General Meeting**

- 3.1.1 You may attend the General Meeting in person and may vote at the General Meeting.
- 3.1.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions contained therein and returning it to the Transfer Secretaries, to be received by them no later than 10:00 on Tuesday, 28 August 2012.

### 3.2 **Election to participate in the *Pro-rata* Repurchase and Distribution**

- 3.2.1 You must, by completing the attached Form of Election, Surrender and Transfer (*blue*), advise HCI of the number of HCI Shares in respect of which you are electing to participate in the *Pro-rata* Repurchase and Distribution.
- 3.2.2 If applicable, you must, by completing the attached Form of Election, Surrender and Transfer (*blue*) advise HCI as to the additional number of HCI Shares you would like to tender in terms of the Excess Applications.
- 3.2.3 If your election is not received by the Transfer Secretaries before 12:00 on the Record Date, you will be deemed to have elected not to participate in the *Pro-rata* Repurchase and Distribution.

### 3.3 **Surrender of Documents of Title**

- 3.3.1 If you elect to participate in the *Pro-rata* Repurchase and Distribution, you will be required to surrender your Documents of Title in respect of the HCI Repurchase Shares;
- 3.3.2 If you elect to participate in the *Pro-rata* Repurchase and Distribution, you should surrender your Documents of Title and complete the attached Form of Election, Surrender and Transfer (*blue*) and return it, together with the relevant Documents of Title in accordance with the instructions contained therein, to the Transfer Secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by the Transfer Secretaries before 12:00 on the Record Date.

3.3.3 If Documents of Title relating to any HCI Repurchase Shares are lost or destroyed, HCI may dispense with the surrender of such Documents of Title upon production of evidence satisfactory to HCI that the Documents of Title in respect of the HCI Repurchase Shares in question have been lost or destroyed and upon provision of a suitable indemnity on terms satisfactory to HCI. Accordingly, if the Documents of Title in respect of any of your HCI Repurchase Shares have been destroyed, you should nevertheless return the attached Form of Election, Surrender and Transfer (*blue*), duly signed and completed, to the Transfer Secretaries, together with a duly signed and completed indemnity form which is obtainable from the Transfer Secretaries.

#### 4. GENERAL

##### 4.1 Approval of the *Pro-rata* Repurchase and Distribution at the General Meeting

The *Pro-rata* Repurchase and Distribution is subject to the approval of the HCI Shareholders by a special resolution at the General Meeting, in accordance with clause 37 of HCI's memorandum of incorporation and section 48(8)(a) of the Companies Act. In order to be approved, the special resolution must be supported by at least 75% of the voting rights exercised on the resolution.

##### 4.2 Electronic participation in the General Meeting

HCI Shareholders wishing to participate electronically in the General Meeting are required to:

- deliver written notice to the Company at the Company's offices, Block B, Longkloof Studios, Darters Road, Gardens, Cape Town, 8001 (marked for the attention of HCI Managerial Services Proprietary Limited, HCI Group company secretary) that they wish to participate via electronic communication at the General Meeting; or
- register on HCI's website, at [www.hci.co.za](http://www.hci.co.za) where a link to the registration page will be placed, by no later than 10:00 on Tuesday, 28 August 2012.

In order for the above mentioned notice to be valid it must contain: (a) if the HCI Shareholder is an individual, a certified copy of his/her identity document and/or passport; (b) if the HCI Shareholder is not an individual, a certified copy of a resolution or letter of representation by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution or signed the relevant letter of representation. The letter of representation or resolution must set out who from the relevant entity is authorised to represent the entity at the General Meeting via electronic communication; (c) a valid e-mail address and/or facsimile number; and (d) confirmation of whether the HCI Shareholder wishes to vote via electronic communication. By no later than 24 hours before the General Meeting, HCI shall use its reasonable endeavours to notify a shareholder of the relevant details through which the shareholder can participate via electronic communication.

Should you wish to participate in the General Meeting by way of electronic communication as mentioned above, you, or your proxy, will be required to dial-in to the dial-in facility on the date of the General Meeting. The dial-in facility will be linked to the venue at which the General Meeting will take place on the date of, from the time of commencement of, and for the duration of, the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner (and as contemplated in section 63(2) of the Companies Act) and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting. The costs borne by you or your proxy in relation to the dial-in facility will be for your own account.

##### 4.3 Dematerialisation

If you wish to Dematerialise your HCI Shares, please contact your Broker. HCI Shareholders are advised that no Dematerialisation or rematerialisation of HCI Shares may take place between Monday, 10 September 2012 and Friday, 14 September 2012, both days inclusive.

---

## TABLE OF CONTENTS

---

	<b>Page</b>
<b>CORPORATE INFORMATION AND ADVISERS</b>	Inside front cover
<b>ACTIONS REQUIRED BY HCI SHAREHOLDERS</b>	1
<b>IMPORTANT DATES AND TIMES</b>	5
<b>DEFINITIONS</b>	6
<b>CIRCULAR TO HCI SHAREHOLDERS</b>	10
1. Introduction	10
2. Rationale	10
3. HCI restructuring	11
4. Overview of Niveus Investments	13
5. The <i>Pro-rata</i> Repurchase and Distribution	13
6. Excess Applications	13
7. Valuation information	14
8. Tax implications	14
9. Adequacy of capital	15
10. Major beneficial HCI Shareholders	15
11. Material changes	15
12. Directors' responsibility statement	16
13. South African Exchange Control Regulations	16
14. Irrevocable undertakings	16
15. Consents	16
16. Documents available for inspection	16
<b>Annexure I:</b> Information for foreign shareholders	17
<b>NOTICE OF GENERAL MEETING OF HCI SHAREHOLDERS</b>	19
<b>FORM OF PROXY – GENERAL MEETING</b>	Attached
<b>FORM OF ELECTION, SURRENDER AND TRANSFER (<i>blue</i>)</b>	Attached

---

## IMPORTANT DATES AND TIMES

---

2012

Circular posted to HCI Shareholders and notice convening the General Meeting released on SENS on	Monday, 30 July
Notice convening the General Meeting published in the South African press on	Monday, 30 July
Last day to trade HCI Shares in order to be recorded in the Register to vote at the General Meeting (see note 2 below) on	Friday, 17 August
Record date to be eligible to vote at the General Meeting by close of trade on	Friday, 24 August
Last day to lodge forms of proxy in respect of the General Meeting by 10:00 on	Tuesday, 28 August
General Meeting to be held at 10:00 on	Thursday, 30 August
Results of the General Meeting published on SENS on	Thursday, 30 August
Results of the General Meeting published in the South African press on	Friday, 31 August
Publication of finalisation information on SENS on	Friday, 31 August
LDT being the last date to trade HCI Shares in order to be recorded in the Register on the Record Date in order to elect to participate in the <i>Pro-rata</i> Repurchase and Distribution on	Friday, 7 September
Listing of Niveus Investments Shares on the JSE with effect from the commencement of business under the JSE code: NIV on	Monday, 10 September
Commencement of trade in Niveus Investments Shares on	Monday, 10 September
HCI Shares trade excluding the entitlement to the <i>Pro-rata</i> Repurchase and Distribution on	Monday, 10 September
Record Date to participate in the <i>Pro-rata</i> Repurchase and Distribution being the date on which HCI Shareholders must be recorded in the Register in order to elect to participate in the <i>Pro-rata</i> Repurchase and Distribution on	Friday, 14 September
Last date on which the HCI Shareholders can make an election to participate in the <i>Pro-rata</i> Repurchase and Distribution by 12:00 on	Friday, 14 September
Effective date of the <i>Pro-rata</i> Repurchase and Distribution	Monday, 17 September
Niveus Investments Share certificates posted to Certificated HCI Shareholders who elected to participate in the <i>Pro-rata</i> Repurchase and Distribution (provided their Form of Election, Surrender and Transfer ( <i>blue</i> ) and Documents of Title are received on or prior to 12:00 on the Record Date) on or about	Monday, 17 September
Niveus Investments Shares credited to the accounts (held at the relevant CSDP or Broker) of those Dematerialised HCI Shareholders who elected to participate in the <i>Pro-rata</i> Repurchase and Distribution (and the relevant number of HCI Repurchase Shares debited from their accounts) on or about	Monday, 17 September

---

### Notes:

1. The above dates and times are subject to amendment at the discretion of HCI. Any such amendment will be released on SENS and published in the South African press.
2. HCI Shareholders should note that as transactions in HCI Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five Business Days after such trade. Therefore, HCI Shareholders who acquire HCI Shares after close of trade on Friday, 17 August 2012 will not be eligible to vote at the General Meeting.
3. All dates and times indicated above are South African Standard Times.
4. HCI Shareholders are advised that no Dematerialisation or rematerialisation of HCI Shares may take place between Monday, 10 September 2012 and Friday, 14 September 2012, both days inclusive.

---

## DEFINITIONS

---

In this Circular, unless otherwise stated or clearly indicated by 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 one gender include the other genders and references to a person include references to a body corporate and *vice versa*:

“Administration Agreement”	the written agreement, as amended from time to time, between Niveus Investments and Johnnic Holdings Management Services Limited, appointing the Administrator to perform certain administrative functions on behalf of Niveus Investments and setting out the terms of such appointment;
“Administrator”	Johnnic Holdings Management Services Limited (registration number 1969/014373/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, and a wholly-owned Subsidiary of HCI;
“Board” or “Directors”	the board of directors of HCI whose names appear in the “Corporate information and advisers” section of this Circular;
“Broker”	any person registered as a “broking member (equities)” in accordance with the provisions of the Securities Services Act;
“Business Day”	a day other than a Saturday, Sunday or official public holiday in South Africa;
“Certificated HCI Share(s)”	HCI Share(s), other than Dematerialised HCI Shares, represented by a share certificate or other physical document of title, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;
“Certificated HCI Shareholder(s)”	HCI Shareholder(s) who hold Certificated HCI Share(s);
“Circular”	this circular to HCI Shareholders, dated Monday, 30 July 2012, including the annexure, notice of General Meeting, form of proxy and Form of Election, Surrender and Transfer ( <i>blue</i> );
“Commission”	the South African Companies and Intellectual Property Commission established in terms of section 185 of the Companies Act;
“Common Monetary Area”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
“Companies Act”	the Companies Act, 2008 (Act No. 71 of 2008), as amended;
“CSDP”	a person that holds in custody and administers securities or an interest in securities and that has been accepted as such by a central securities depository as a participant in terms of section 34 of the Securities Services Act;
“Dematerialisation”	the process by which certificated securities are converted to or held in electronic form as uncertificated securities and recorded as such in a sub-register of members maintained by a CSDP;
“Dematerialised HCI Share(s)”	those HCI Share(s) which have been Dematerialised in terms of the requirements of Strate through a CSDP or Broker and are held in electronic form on the sub-registers of HCI Shareholders, administered and maintained by CSDPs;
“Dematerialised HCI Shareholder(s)”	those HCI Shareholders who hold Dematerialised HCI Shares;
“Documents of Title”	a share certificate, certified transfer deed, balance receipt and/or any other form of document of title acceptable to HCI in respect of HCI Shares;



“Excess Applications”	the right of HCI Shareholders to elect to tender additional HCI Shares in terms of the <i>Pro-rata</i> Repurchase and Distribution, as detailed in paragraph 6, to the extent that other HCI Shareholders do not elect, or elect to tender less, than their <i>pro-rata</i> entitlement in terms of the <i>Pro-rata</i> Repurchase and Distribution;
“Exchange Control Regulations”	the Exchange Control Regulations, as amended, developed in terms of section 9 of the Currency and Exchanges Act, 1933 (Act No. 9 of 1933), as amended;
“Foreign Shareholder”	a HCI Shareholder who is a non-resident of South Africa as contemplated in the Exchange Control Regulations;
“Form of Election, Surrender and Transfer”	the form of election, surrender and transfer ( <i>blue</i> ) attached to and forming part of this Circular;
“Formex”	Formex Industries Proprietary Limited (registration number 1987/005556/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa;
“Galaxy Bingo”	Galaxy Bingo International South Africa Proprietary Limited (registration number 1997/019569/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa;
“General Meeting”	the general meeting of HCI Shareholders to be held in the boardroom at Block B, Longkloof Studios, Darters Road, Gardens, Cape Town on Thursday, 30 August 2012 at 10:00 for the purpose of considering and voting on the special and ordinary resolutions set out in the notice of General Meeting forming part of this Circular;
“GPT”	Global Payment Technologies Proprietary Limited (registration number 1996/005744/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, and which has been converted to a public company changed its name to HCI Growth Limited, and as at the Last Practicable Date, is in the process of changing its name from HCI Growth Limited to Niveus Investments Limited;
“HCI” or “the Company”	Hosken Consolidated Investments Limited (registration number 1973/007111/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, the issued ordinary share capital of which is listed on the JSE;
“HCI Bingo”	HCI Gaming and Entertainment Proprietary Limited (registration number 2007/026773/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, and the holding company of Niveus Investments’ investment in Galaxy Bingo;
“HCI Group”	HCI, its subsidiaries (as defined in terms of the Companies Act) and associates;
“HCI KVV”	HCI-KVV Holdings Proprietary Limited (registration number 2010/022470/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa and the holding company of Niveus Investments’ interest in KVV Holdings Limited;
“HCI Repurchase Share(s)”	for each HCI Shareholder; such number of HCI Shares to be repurchased by HCI being one HCI Share for every 11.95191 Niveus Investments Shares received in terms of the <i>Pro-rata</i> Repurchase and Distribution, subject to a maximum, prior to Excess Applications, of 3.07% of their shareholding in HCI. In aggregate HCI will repurchase up to a maximum of 3.07% of its issued share capital, net of treasury shares;

“HCI Shares”	ordinary shares having a par value of 25 cents each in the issued share capital of HCI, all of which shares are listed on the JSE, being 132 976 996 shares, which is gross of 1 777 634 treasury shares, at the Last Practicable Date;
“HCI Shareholder(s)”	the registered holder(s) of HCI Share(s) as appearing on the main and sub-registers of HCI;
“HCIT”	HCI Treasury Proprietary Limited (registration number 1997/020390/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa;
“Income Tax Act”	the Income Tax Act, 1962 (Act No. 58 of 1962), as amended;
“JSE”	JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, and licensed as an exchange under the Securities Services Act;
“KVV Employee Empowerment Trust”	the trustees for the time being of the KVV Employee Empowerment Trust (Master’s Reference No. IT3148/2003);
“KVV Holdings Limited”	KVV Holdings Limited (registration number 2009/012871/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, the issued ordinary share capital of which is traded over-the-counter;
“LDT”	being the last day to trade HCI Shares on the JSE in order to be registered in the Register on the Record Date in order to elect to participate in the <i>Pro-rata</i> Repurchase and Distribution, which date is expected to be Friday, 7 September 2012;
“Last Practicable Date”	the last practicable date prior to the finalisation of the Circular, being Wednesday, 25 July 2012;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“Niveus Investments”	Niveus Investments Limited (registration number 1996/005744/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, the issued ordinary share capital of which will be listed on the JSE on or about Monday, 10 September 2012 subject to the receipt of the necessary regulatory approvals including the approval of the listing by the JSE. Niveus Investments was previously named Global Payment Technologies Proprietary Limited, and as at the Last Practicable Date, is in the process changing its name from HCI Growth Limited to Niveus Investments Limited;
“Niveus Investments Shares”	ordinary no par value shares in the issued share capital of Niveus Investments, all of which shares will be listed on the JSE on or about Monday, 10 September 2012 subject to the receipt of the necessary regulatory approvals including the approval of the listing by the JSE;
“Niveus Investments Shareholder(s)”	the registered holder(s) of Niveus Investments Share(s) as appearing on the main and sub-registers of Niveus Investments following the <i>Pro-rata</i> Repurchase and Distribution;
“Own-name Dematerialised HCI Shareholder(s)”	those HCI Shareholder(s) that have Dematerialised their HCI Share(s) through a CSDP and have instructed such CSDP to hold their HCI Share(s) in their own name on the sub-register maintained by the CSDP and forming part of the Register;
“Pre-listing Statement”	the bound document posted together with this Circular, dated Monday, 30 July 2012, relating to the listing of the issued ordinary share capital of Niveus Investments on the JSE with effect from commencement of business on or about Monday, 10 September 2012 subject to the receipt of the necessary regulatory approvals including the approval of the listing by the JSE;

“Pro-rata Repurchase and Distribution”	the <i>pro-rata</i> offer by HCI to repurchase up to 3.07% of each HCI Shareholders’ HCI Shares subject to a maximum of 4 033 129 HCI Shares, in exchange for a distribution <i>in specie</i> of 11.95191 Niveus Investments Shares for each HCI Repurchase Share;
“Rand” or “R”	South African Rand, the official currency of South Africa;
“Record Date”	the fifth Business Day after the LDT, being the latest date for holders of HCI Shares to be registered as such in the Register in order to elect whether to participate in the <i>Pro-rata</i> Repurchase and Distribution, which date is expected to be Friday, 14 September 2012;
“Register”	the securities register maintained by HCI in terms of the Companies Act;
“Securities Services Act”	the Securities Services Act, 2004 (Act No. 36 of 2004), as amended;
“SENS”	the Securities Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Limited (registration number 1998/022242/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, and a registered central securities depository responsible for the electronic custody and settlement system for transactions that take place on the JSE and off-market trades;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“Takeover Regulations”	Chapter 5 (Fundamental Transactions and Takeover Regulations) of the Companies Regulations, 2011 promulgated under the Companies Act;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa;
“Vukani Gaming”	Vukani Gaming Corporation Proprietary Limited (registration number 1995/000842/07), a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa; and
“VWAP”	volume weighted average price.



## HOSKEN CONSOLIDATED INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1973/007111/06

Share code: HCI ISIN: ZAE000003257

---

### Directors

M Golding (*Executive Chairman*)\*  
J Copelyn (*Chief Executive Officer*)\*  
T Govender (*Chief Financial Officer*)\*  
V Engel<sup>1</sup>  
V Mphande<sup>1</sup>  
M Molefi<sup>2</sup>  
J Ngcobo<sup>2</sup>  
Y Shaik<sup>2</sup>  
F Magugu<sup>2</sup>

\* Executive

<sup>1</sup> Non-Executive

<sup>2</sup> Independent Non-Executive

---

## CIRCULAR TO HCI SHAREHOLDERS

---

### 1. INTRODUCTION

HCI has undertaken a strategic review of its investments and has taken the decision to restructure its investments in Vukani Gaming, HCI Bingo, HCI KWV and Formex into a new, focused investment platform called Niveus Investments. Niveus Investments will, subject to the receipt of the necessary regulatory approvals including the approval of the listing by the JSE, be separately listed under the "Investment Entities" subsector of the Financial Services sector of the JSE, with HCI retaining a majority shareholding in Niveus Investments.

HCI will, by means of the *Pro-rata* Repurchase and Distribution, offer HCI Shareholders the opportunity to receive their *pro-rata* portion of 45% of Niveus Investments as a distribution *in specie* in exchange for tendering one HCI Share for every 11.95191 Niveus Investments Shares received in terms of the *Pro-rata* Repurchase and Distribution. The details of the *Pro-rata* Repurchase and Distribution are set out in more detail in paragraph 5 below.

The purpose of this Circular is to provide HCI Shareholders with the relevant information relating to the *Pro-rata* Repurchase and Distribution, and to give notice convening the General Meeting in order to consider and, if deemed fit, to pass the resolutions necessary to approve and implement the *Pro-rata* Repurchase and Distribution.

### 2. RATIONALE

By creating a focused investment entity with a diversified range of investments, the listing of Niveus Investments is intended to provide HCI Shareholders with direct exposure to investments which offer an alternative risk and return profile to their current shareholding in HCI and which have attractive growth prospects over the medium to long-term. Niveus Investments will benefit from a separate listing in the form a focused management team, as well as greater access to capital markets for specific investments.

The investments which form part of Niveus Investments have, in the past, been overlooked by investors because of their size relative to other larger and higher profile HCI investments. The listing will provide visibility and additional information regarding these investments which will allow investors to better assess their value, and potentially unlock value for HCI Shareholders.

The listing will allow the HCI Group to achieve the following:

- enhance HCI Shareholder value by providing greater visibility of Niveus Investments' portfolio of assets;
- provide Niveus Investments with a further source, from which capital can be raised, to facilitate future expansion; and

- afford institutions, private clients, and members of the public the opportunity to participate directly in the equity of Niveus Investments.

HCI is of the view that Niveus Investments provides HCI Shareholders with an attractive investment opportunity and therefore intends to retain a majority shareholding in the business in order to benefit from the future performance of the investments within Niveus Investments.

### 3. **HCI RESTRUCTURING**

HCI has completed the implementation of the internal restructurings necessary to transfer HCI Bingo, HCI KVV and Formex into Niveus Investments (Niveus Investments previously held and continues to hold all of the issued share capital in Vukani Gaming).

#### 3.1 **Below is a summary of the aforesaid internal restructurings that took place in respect of the Niveus Investments assets (in no particular order):**

##### 3.1.1 **Formation of Niveus Investments:**

GPT adopted a new memorandum of incorporation, converted to a public company, changed its name to "HCI Growth Limited", converted its par value shares to no par value shares, and subdivided its shares in order to create sufficient shares for the restructure and subsequent listing.

As at the Last Practicable Date, Niveus Investments is in the process of changing its name from HCI Growth Limited to Niveus Investments Limited. On 27 June 2012, it received a confirmation notice of name reservation (Form COR 9.4) from the Commission confirming that the name, Niveus Investments Limited, has been reserved for use by Niveus Investments. The shareholder of Niveus Investments adopted the requisite special resolution to change the name from HCI Growth Limited to Niveus Investments Limited, which special resolution, along with the required supporting documentation, was filed with the Commission on 17 July 2012. The name change will take effect from the date on which the Commission issues the amended registration certificate to Niveus Investments, confirming that the name change has been registered.

Vukani Gaming obtained a loan from Investec Bank Limited of R185 000 000, which funds were used to repay a portion of a loan owing to HCIT.

##### 3.1.2 **Cession of loan claims:**

HCIT ceded the following loan claims to HCI:

- 3.1.2.1 R312 488 814 owing by HCI KVV to HCIT;
- 3.1.2.2 R98 709 990 owing by HCI Bingo to HCIT; and
- 3.1.2.3 R26 165 611 owing by Galaxy Bingo to HCIT. HCI then ceded this claim against Galaxy Bingo to HCI Bingo on loan account, resulting in HCI having a net claim against HCI Bingo of R124 875 601.

##### 3.1.3 **Sale of HCI KVV to Niveus Investments:**

HCI KVV was a wholly owned subsidiary of HCI. In December 2011, the shares in HCI KVV were sold by HCI to Niveus Investments for a nominal value. At the date of the sale, HCI KVV had a net asset value of zero as it held an investment in KVV Holdings Limited and was funded with an intercompany loan of the same value from HCI.

HCI sold its claims against HCI KVV, referred to in paragraph 3.1.2.1, to Niveus Investments in exchange for Niveus Investments Shares. The sale of the loan claims resulted in HCI KVV owing the loan payable to Niveus Investments rather than HCI.

##### 3.1.4 **Mandatory offer by HCI KVV:**

Pursuant to the Takeover Regulations, HCI KVV made a mandatory offer to acquire all the shares in KVV Holdings Limited that it did not already own. The mandatory offer closed on 22 March 2012, resulting in HCI KVV holding 35.52% of the issued share capital of KVV Holdings Limited (net of treasury shares).

##### 3.1.5 **Acquisition of KVV Holdings Limited shares held by KVV Employee Empowerment Trust**

Subsequent to the aforementioned mandatory offer, the KVV Employee Empowerment Trust agreed to sell 50% of its KVV Holdings Limited shareholding, namely 3 020 345 KVV Holdings Limited shares, to HCI KVV. As a result, HCI KVV holds 27 365 648 shares in KVV Holdings Limited, representing 39.9% of the issued share capital of KVV Holdings Limited (net of treasury shares).

Furthermore, HCI acquired a pre-emptive right from the KVV Employee Empowerment Trust to acquire its remaining 3 020 344 KVV Holdings Limited shares held should such shares be sold.

### 3.1.6 **Sale of Formex to Niveus Investments:**

HCI sold its shares in and claims against Formex to Niveus Investments for a nominal amount.

HCI subscribed for shares in Niveus Investments, which proceeds were partially used to advance a further loan to Formex, which loan Formex used to repay its loan, with a face value of R1 62 338 790, owing to HCIT.

### 3.1.7 **Sale of HCI Bingo to Niveus Investments:**

HCI sold its shares in HCI Bingo to Niveus Investments for a nominal amount.

HCI sold its claims against HCI Bingo to Niveus Investments in exchange for shares in Niveus Investments.

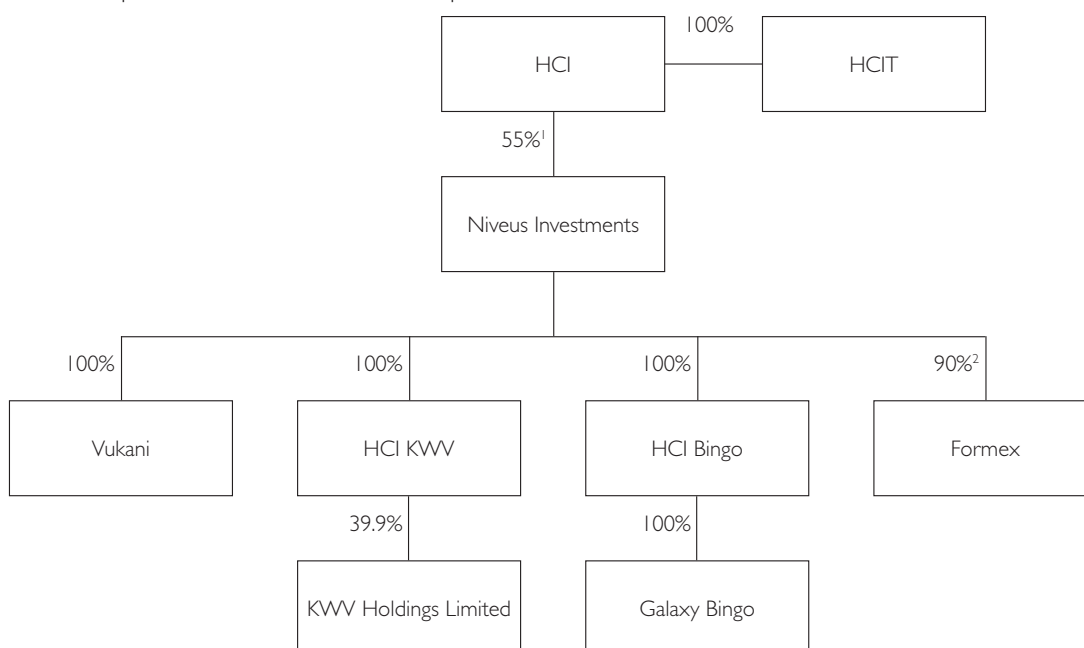
The following is a summary of the number of Niveus Investments Shares issued as a result of the restructuring:

Description	Value	Number of shares
Opening balance		58 633 000
Acquired the HCI KVV loan account in exchange for the issue of Niveus Investments Shares <sup>1</sup>	312 488 814	22 481 174
Acquired the HCI Bingo loan account in exchange for the issue of Niveus Investments Shares <sup>2</sup>	124 875 601	8 983 842
Cash subscription in exchange for the issue of Niveus Investments Shares <sup>3</sup>	236 593 275	17 021 072
		<b>107 119 087</b>

#### Notes:

1. Cession by HCI to Niveus Investments of the loan owing by HCI KVV to HCI resulting in such loan being owed to Niveus Investments. In exchange, Niveus Investments issued new shares to HCI.
2. Cession by HCI to Niveus Investments of the loan owing by HCI Bingo to HCI resulting in such loan being owed to Niveus Investments. In exchange, Niveus Investments issued new shares to HCI.
3. HCI subscribed for new shares in Niveus Investments for cash to the value of R236.6 million. The value is derived from the Formex loan of R1 62 338 790 and cash of R74 254 485.

The following organogram sets out the relevant entities within the HCI Group following the restructuring and the implementation of the *Pro-rata* Repurchase and Distribution:



#### Notes:

1. HCI will retain at least 55% of Niveus Investments post the *Pro-rata* Repurchase and Distribution.
2. The 10% minority stake in Formex is held by the management team of Formex.
3. The group structure shown above only reflects material Subsidiaries of Niveus Investments.

#### 4. **OVERVIEW OF NIVEUS INVESTMENTS**

Please refer to the Pre-listing Statement dated 30 July 2012 which was posted together with this Circular for a description of Niveus Investments and its underlying investments: Vukani Gaming, HCI Bingo, HCI KVV and Formex.

#### 5. **THE PRO-RATA REPURCHASE AND DISTRIBUTION**

The *Pro-rata* Repurchase and Distribution will collectively entail the following:

- 5.1 Subject to HCI Shareholder approval, HCI Shareholders shall have the election to tender one HCI Share for every 11.95191 Niveus Investments shares received, up to 3.07% of their HCI Shareholding. In addition HCI Shareholders may elect to tender such additional HCI Shares in terms of the Excess Applications (see paragraph 6), provided that HCI shall not repurchase more than 3.07% of its entire issued share capital, net of treasury shares. In aggregate, a total of 48 203 589 Niveus Investments Shares are available for distribution.
  - 5.1.1 The effect of the *Pro-rata* Repurchase and Distribution is that HCI will repurchase up to 4 033 129 of its own shares, which is the maximum number of HCI Repurchase Shares that HCI is willing to repurchase so as to ensure that it retains a majority shareholding in Niveus Investments post the *Pro-rata* Repurchase and Distribution.
  - 5.1.2 In effect, for every 1 000 HCI Shares held by a HCI Shareholder on the Record Date, the HCI Shareholder may tender 31 HCI Shares to be repurchased by HCI in exchange for 371 Niveus Investments Shares to be distributed as a dividend *in specie* to the HCI Shareholder; plus such additional HCI Shares that they may wish to tender in terms of the Excess Applications (see paragraph 6).
  - 5.1.3 To the extent the *Pro-rata* Repurchase and Distribution would result in the aggregate of the Niveus Investments Shares to be distributed as a dividend *in specie* not being a whole number, the relevant fraction will be rounded up to the nearest whole number if the fraction is equal to or greater than 0.5 of a Niveus Investments Share; or rounded down to the nearest whole number if the fraction is less than 0.5 of a Niveus Investments Share.
- 5.2 If your election is not received by the Transfer Secretaries before 12:00 on the Record Date, you will be deemed to have elected not to participate in the *Pro-rata* Repurchase and Distribution.
- 5.3 The consideration offered by HCI for the *Pro-rata* Repurchase and Distribution is Niveus Investments Shares. There is no cash component or cash alternative to the consideration.
- 5.4 The *Pro-rata* Repurchase and Distribution is in respect of 4 033 129 HCI Repurchase Shares, being 3.07% of HCI's issued share capital, which may be elected by all HCI Shareholders *pro-rata* to their shareholding in HCI and, accordingly this does not require HCI Shareholder approval specifically as it relates to the requirements stipulated by the Listings Requirements. As a result, this circular does not require JSE or JSE sponsor approval.
- 5.5 The *Pro-rata* Repurchase and Distribution does however require HCI Shareholder approval by way of a special resolution in terms of clause 37 of HCI's memorandum of incorporation and section 48(8)(a) of the Companies Act, to the extent that any HCI Shares are repurchased from a Director or prescribed officer of HCI.
- 5.6 As a result of the *Pro-rata* Repurchase and Distribution, Niveus Investments' spread of shareholders will only be determinable after its date of listing on the JSE. The JSE has granted Niveus Investments dispensation from the spread requirements as set out in paragraph 4.28(f) of the Listings Requirements on the condition that HCI and Niveus Investments undertake to use all reasonable endeavours to ensure that the spread requirements are fulfilled within 6 months following the date of listing. In this regard, if necessary, HCI may distribute, by way of a distribution *in specie* to HCI Shareholders, a maximum of 4.9% of the issued share capital of Niveus Investments, thereby enabling HCI to retain a majority shareholding in Niveus Investments.

#### 6. **EXCESS APPLICATIONS**

- 6.1 All HCI Shareholders electing to participate in the *pro-rata* Repurchase and Distribution may tender additional HCI Shares for repurchase by HCI to the extent that other HCI Shareholders do not elect, or elect less, than their *pro-rata* entitlement. HCI Shareholders who elect to tender additional HCI Shares will be required to tender one HCI Share for every 11.95191 Niveus Investments Shares received.
- 6.2 Where applicable, all Excess Applications will be proportionately reduced on an equitable basis, so that HCI distributes no more than 45% of the Niveus Investments Shares in issue and repurchases no more than 4 033 129 HCI Shares in terms of the *Pro-rata* Repurchase and Distribution.

## 7. VALUATION INFORMATION

Niveus Investments Shares will be distributed at a value of R7.12 per Niveus Investments Share. Considering the value of an HCI Share of R85.07, which is based on the 60-day VWAP up to and including 5 July 2012, this implies a ratio of one HCI Repurchase Share for every 11.95191 Niveus Investments Shares received by the relevant HCI Shareholder in terms of the *Pro-rata* Repurchase and Distribution.

The Directors, in considering the value of R7.12 per Niveus Investments Share and the resultant ratio of one HCI Repurchase Share for every 11.95191 Niveus Investments Shares, have taken a number of factors into account, including, *inter alia*, the discounts applied to comparable investment entities traded on the JSE. Accordingly, the Directors are of the view that the relative value per Niveus Investments Share is fair. An overview of the Directors' valuation of the entities comprising Niveus Investments, which has been used to determine the relative switch ratio of 11.95191, is provided below:

	<b>Directors' valuation of investment R'000</b>
<b>Business</b>	
Vukani Gaming	813 110
HCI KVV	250 396
HCI Bingo	59 408
Formex	23 400
Cash balance	74 254
Subtotal	1 220 568
Claims and liabilities of Niveus Investments	(173 543)
<b>Total</b>	<b>1 047 025</b>
Niveus Investments Shares in issue	107 119 087
Director's value per share	R9.77
Issue price per Niveus Investments Share	R7.12

## 8. TAX IMPLICATIONS

Set out below is an indicative guide to the tax consequences of the *Pro-rata* Repurchase and Distribution which is not intended to be an exhaustive analysis of the tax implications. It is not intended to be, nor should it be considered to be, legal or tax advice. HCI Shareholders should therefore consult their own tax advisers on the tax consequences of the *Pro-rata* Repurchase and Distribution in both South Africa and their jurisdiction of residence, for which neither HCI nor its advisers will be held responsible.

Indicative tax implications for HCI:

### **Dividends tax:**

The distribution *in specie* of Niveus Investments Shares will constitute a dividend to the extent that it does not reduce HCI's contributed tax capital. Since this represents a dividend *in specie*, a dividends tax liability will arise for HCI to the extent that this dividend exceeds HCI's STC credits. In this regard it is envisaged that HCI will have sufficient STC credits and will therefore not suffer a dividends tax cost.

### **Capital gains tax:**

HCI will be deemed to have disposed of the Niveus Investments Shares for market value proceeds and consequently will be liable for capital gains tax on any proceeds in excess of the base cost.

### **Securities transfer tax:**

HCI will be liable for securities transfer tax, being 0.25% payable on the value of the HCI Shares repurchased.

Indicative tax implications for HCI Shareholders who elect to participate in the *Pro-rata* Repurchase and Distribution:

### **Dividends tax and income tax:**

The distribution *in specie* of Niveus Investments Shares will constitute a dividend to the extent that it does not reduce HCI's contributed tax capital. However, no dividends tax liability should arise for HCI Shareholders (see analysis for HCI set out above).

In addition, the dividend should be exempt from income tax in the hands of the HCI Shareholders.



### Capital gains tax:

HCI Shareholders need to assess, based on their specific circumstances, whether they hold the HCI Shares on income or capital account.

The repurchase of HCI Shares by HCI will constitute a disposal of the HCI Shares by a HCI Shareholder. If the HCI Shares are held on capital account, the proceeds will constitute the market value of Niveus Investments Shares, but the proceeds will be reduced to the extent that the distribution of the Niveus Investments Shares constitutes a dividend.

The HCI Shareholders will, in terms of the Taxation Laws Amendment Bill 2012, receive a market value base cost in the Niveus Investments Shares. These provisions will apply to the transaction with retrospective effect. If these provisions are not passed, the HCI Shareholders will receive a base cost in the Niveus Investments Shares equal to the market value of their HCI Shares at the date of the *Pro-rata* Repurchase and Distribution.

### Securities transfer tax:

HCI Shareholders will be liable for securities transfer tax, being 0.25% payable on the value of the Niveus Investments Shares received in the distribution.

## 9. ADEQUACY OF CAPITAL

9.1 The Directors have considered the impact of the *Pro-rata* Repurchase and Distribution and are of the opinion that:

- 9.1.1 the provisions of section 4, section 46 and section 48 of the Companies Act have been complied with;
- 9.1.2 HCI and the HCI Group will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months after the *Pro-rata* Repurchase and Distribution has been completed; and
- 9.1.3 the assets of HCI and the HCI Group, as fairly valued, exceed the liabilities of HCI and the HCI Group, where for this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of the HCI Group.

9.2 Furthermore, the Directors state as follows:

- 9.2.1 in terms of section 46(1)(a)(ii) of the Companies Act, the Board has authorised the *Pro-rata* Repurchase and Distribution by resolution;
- 9.2.2 in terms of section 46(1)(b) of the Companies Act, it reasonably appears that HCI will satisfy the solvency and liquidity test immediately after completing the *Pro-rata* Repurchase and Distribution; and
- 9.2.3 in terms of section 46(1)(c) of the Companies Act, the Board has, by resolution, acknowledged that it has applied the solvency and liquidity test as set out in section 4 of the Companies Act, and reasonably concluded that HCI will satisfy the solvency and liquidity test immediately after completing the *Pro-rata* Repurchase and Distribution.

## 10. MAJOR BENEFICIAL HCI SHAREHOLDERS

To the best of HCI's knowledge and belief, the following major beneficial shareholders were, as at the Last Practicable Date, directly or indirectly, the beneficial owners of 5% or more of the issued share capital of HCI:

Shareholder	Number of shares held	Percentage of issued share capital
Southern African Clothing and Textile Workers Union and associated entities	50 291 265	37.8%
MJA Golding	9 521 194	7.2%
State Street Bank and Trust	7 516 748	5.7%
<b>Total</b>	<b>67 329 207</b>	<b>50.7%</b>

## 11. MATERIAL CHANGES

There have been no material changes in the financial or trading position of HCI since the end of the last financial period being 31 March 2012 up to and including the Last Practicable Date.

## 12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular in relation to HCI and certify that, to the best of their knowledge and belief, no material facts have been omitted which would make any statement in this Circular false or misleading, that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listing Requirements.

## 13. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

HCI Shareholders whose registered address is outside the Common Monetary Area will need to comply with the Exchange Control Regulations set out in Annexure I to this Circular.

If HCI Shareholders are in any doubt as to what action to take they should consult their professional advisers.

## 14. IRREVOCABLE UNDERTAKINGS

Irrevocable undertakings to vote in favour of the *Pro-rata* Repurchase and Distribution and to participate in the *Pro-rata* Repurchase and Distribution in respect of the maximum number of HCI Shares, have been secured from the executive Directors, and their associated entities, who collectively hold 15 085 962 HCI Shares (11.3% of the HCI Shares), as listed below:

Shareholder	Number of HCI Shares	Percentage shareholding
MJA Golding	8 002 061	6.0%
JA Copelyn	6 020 883	4.5%
A van der Veen	1 063 018	0.8%
<b>Total</b>	<b>15 085 962</b>	<b>11.3%</b>

Furthermore, MJA Golding, and JA Copelyn and have irrevocably undertaken to tender further HCI Shares in respect of the Excess Applications so that the total number of HCI Shares tendered in terms of the *Pro-rata* Repurchase and Distribution and in respect of the Excess Applications are 1 000 000 and 1 000 000 respectively.

## 15. CONSENTS

The legal advisers, investment bank, sponsor and Transfer Secretaries have consented in writing to act in the capacities stated in this Circular and to their names being stated in this Circular, and have not withdrawn their consent prior to the publication of this document.

## 16. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the registered office of HCI from Monday, 30 July 2012 to Thursday, 30 August 2012:

- the consolidated audited financial statements of HCI for the three financial years ended 31 March 2012, 31 March 2011 and 31 March 2010;
- a copy of the Pre-listing Statement;
- the memorandum of incorporation (previously the articles of association) of HCI;
- the consent letters referred to in paragraph 15;
- a copy of the Administration Agreement; and
- a signed copy of this Circular.

By order of the HCI Board of Directors

**JA Copelyn**  
Chief Executive Officer

**TG Govender**  
Chief Financial Officer

30 July 2012

**Registered office**  
Block B, Longkloof Studios  
Darters Road, Gardens  
Cape Town  
8001

---

## INFORMATION FOR FOREIGN SHAREHOLDERS

---

### I. **PRO-RATA REPURCHASE AND DISTRIBUTION — FOREIGN SHAREHOLDERS**

This annexure sets out the restrictions applicable to HCI Shareholders who have registered addresses outside South Africa, who are nationals, citizens or residents of countries other than South Africa, or who are persons (including, without limitation, custodians, nominees and trustees) who have a contractual or legal obligation to forward this Circular to a jurisdiction outside South Africa or who hold HCI Shares for the account or benefit of any such Foreign Shareholder.

The *Pro-rata* Repurchase and Distribution may be affected by the laws of a Foreign Shareholder's relevant jurisdiction. Foreign Shareholders should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to receive the distributed Niveus Investments Shares.

It is the responsibility of any Foreign Shareholder (including, without limitation, nominees, agents and trustees for such persons) receiving this Circular and wishing to participate in the *Pro-rata* Repurchase and Distribution to satisfy themselves as to full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. Foreign Shareholders are obliged to observe the applicable legal requirements of their relevant jurisdictions.

Any Foreign Shareholder who is in doubt as to his position with respect to the *Pro-rata* Repurchase and Distribution in any jurisdiction, including, without limitation, its tax status, should consult an appropriate professional adviser in the relevant jurisdiction without delay. In particular, Foreign Shareholders must take their own advice on whether they are entitled to beneficially hold any Niveus Investments Shares distributed to them and take the appropriate action in accordance with that advice.

Receipt of this Circular will not constitute an offer of Niveus Investments Shares in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Circular if sent, will be sent for information only and should not be copied or redistributed. No person receiving a copy of this Circular in any territory, other than South Africa, may treat the Circular as constituting an offer to such person unless, in the relevant territory, such an offer could lawfully be made to such person without contravention of any registration or other legal requirements.

Accordingly, persons (including, without limitation, nominees, agents and trustees) receiving a copy of this Circular should not distribute or send it to any person in, or citizen or resident of, or otherwise into any jurisdiction where to do so would or might contravene local securities laws or regulations. Any person who does distribute this Circular into any such territory (whether under a contractual or legal obligation or otherwise) should draw the recipients' attention to the contents of this annexure.

Foreign Shareholders in certain jurisdictions outside of South Africa may not be entitled to take transfer of any Niveus Investments Shares. HCI reserves the right, but shall not be obliged, to treat as invalid any distribution of Niveus Investments Shares, in terms of the *Pro-rata* Repurchase and Distribution, which appears to HCI or its agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or if HCI believes or its agents believe that such distribution may violate applicable legal or regulatory requirements.

An excluded Foreign Shareholder includes any Foreign Shareholder who is unable to receive any of the distributed Niveus Investments Shares to be distributed to him because of the laws of the jurisdiction of that Foreign Shareholder; or any Foreign Shareholder to whom HCI is not permitted to distribute any of the distributed Niveus Investments Shares because of the laws of the jurisdiction of that Foreign Shareholder. CSDPs will be responsible for informing the Transfer Secretaries of all Dematerialised HCI Shares held by them on behalf of such excluded Foreign Shareholders. The Transfer Secretaries will determine which certificated Foreign Shareholders are such excluded Foreign Shareholders.

Such excluded Foreign Shareholders will not be able to participate in the *Pro-rata* Repurchase and Distribution.

## 2. **EXCHANGE CONTROL REGULATIONS**

The distributed Niveus Investments Shares are not freely transferable from the Common Monetary Area and must be dealt with in terms of the Exchange Control Regulations. The following summary of the Exchange Control Regulations is not comprehensive and is intended as a guide only. In the event that HCI Shareholders have any doubts in respect of their obligations in terms of the Exchange Control Regulations, they should consult their professional advisers.

### 2.1 **Emigrants from the Common Monetary Area**

The distributed Niveus Investments Shares received by the HCI Shareholders who are emigrants from the Common Monetary Area and whose registered address is outside the Common Monetary Area will:

- in the case of Dematerialised HCI Shareholders be credited to their blocked share accounts at the CSDP controlling their blocked portfolios; or
- in the case of Certificated HCI Shareholders whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, be endorsed "Non-Resident" and will be sent to the authorised dealer in foreign exchange controlling their blocked assets.

### 2.2 **All other non-residents of the Common Monetary Area**

The distributed Niveus Investments Shares received by the HCI Shareholders who are non-residents of the Common Monetary Area and who have never resided in the Common Monetary Area and whose registered address is outside the Common Monetary Area will in the case of:

- Dematerialised HCI Shareholders be credited to their share accounts at the CSDP controlling their portfolios; or
- Certificated HCI Shareholders whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, be deposited with an authorised dealer in foreign exchange in South Africa nominated by such HCI Shareholder. It will be incumbent on the HCI Shareholder concerned to nominate the authorised dealer and to instruct the nominated authorised dealer as to the disposal of the relevant shares. If the information regarding the authorised dealer is not given, the distributed Niveus Investments Shares will be held in trust for the HCI Shareholder concerned pending the receipt of the necessary information or instruction.



## HOSKEN CONSOLIDATED INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1973/007111/06

Share code: HCI ISIN: ZAE000003257

---

### NOTICE OF GENERAL MEETING OF HCI SHAREHOLDERS

---

All terms defined in the Circular; to which this Notice of General Meeting is attached, shall bear the same meanings when used in this Notice of General Meeting.

Notice is hereby given to HCI Shareholders that the General Meeting will be held at the offices of HCI, Block B, Longkloof Studios, Darters Road, Gardens, Cape Town, 8001, on Thursday, 30 August 2012 at 10:00, to conduct such business as may lawfully be dealt with at the General Meeting and to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder. The record date for determining which shareholders of HCI are entitled to participate in and vote at the General Meeting is Friday, 24 August 2012. Accordingly, the last day to trade in order to be eligible to participate and vote at the General Meeting will be Friday, 17 August 2012.

**Please note that HCI intends to provide for participation at the General Meeting by way of electronic communication. In this regard, please read the notes at the end of this notice.**

#### RESOLUTIONS RELATED TO THE *PRO-RATA* REPURCHASE AND DISTRIBUTION

##### **Special resolution number 1 – Authority for the *Pro-rata* Repurchase and Distribution by HCI of its HCI Shares**

**RESOLVED THAT** HCI be and is hereby authorised, in terms of the requirements of HCI's memorandum of incorporation ("MOI") and section 48(8)(a) of the Companies Act (to the extent applicable), to repurchase that number of HCI's issued ordinary shares as is equal to the number of HCI Shares sold by the HCI Shareholders who elect to participate in the *Pro-rata* Repurchase and Distribution as detailed in the Circular; in exchange for a distribution of 11.95191 Niveus Investments Shares as consideration for each HCI Share repurchased by HCI, subject to a maximum of 4 033 129 HCI Shares being repurchased by HCI in terms of the *Pro-rata* Repurchase and Distribution.

In terms of section 65(9) of the Companies Act and HCI's MOI the requisite percentage of voting rights for this resolution to be adopted is 75%.

##### **Reason for and effect of special resolution:**

The reason for special resolution number 1 is to authorise HCI to repurchase the HCI Shares from HCI Shareholders who elect to participate in the *Pro-rata* Repurchase and Distribution, in terms of HCI's MOI.

In terms of section 48(8)(a) of the Companies Act, a decision by the board of a company to repurchase any shares from directors or prescribed officers of the company, or persons related to a director or prescribed officer of the company (collectively "Related Persons"), must be approved by special resolution of the shareholders of such company. As the offer in respect of the *Pro-rata* Repurchase and Distribution is made to all HCI Shareholders, including Related Persons of HCI in their capacities as HCI Shareholders, section 48(8)(a) may apply to the *Pro-rata* Repurchase and Distribution. A further reason for special resolution number 1 is therefore to authorise HCI to repurchase the HCI Shares from HCI Shareholders who are Related Persons of HCI who elect to participate in the *Pro-rata* Repurchase and Distribution, to the extent required in terms of section 48(8)(a) of the Companies Act.

The effect of special resolution number 1 is to enable HCI to repurchase HCI Shares in HCI from those HCI Shareholders who elect to participate in the *Pro-rata* Repurchase and Distribution on the terms contained in the Circular; and to cancel such HCI Repurchased Shares as issued shares and restore them to the authorised unissued share capital of HCI.

##### **Statement by the Directors**

The Directors have considered the impact of the *Pro-rata* Repurchase and Distribution and are of the opinion that:

- In terms of section 46(1)(a)(ii) of the Companies Act, the Board has authorised the *Pro-rata* Repurchase and Distribution by resolution.

- In terms of section 46(1)(b) of the Companies Act, it reasonably appears that the Company will satisfy the solvency and liquidity test as set out in section 4 of the Companies Act immediately after completing the *Pro-rata* Repurchase and Distribution.
- In terms of section 46(1)(c) of the Companies Act, the Board has, by resolution, acknowledged that it has applied the solvency and liquidity test as set out in section 4 of the Companies Act, and reasonably concluded that the Company will satisfy the solvency and liquidity test immediately after completing the *Pro-rata* Repurchase and Distribution.

**Ordinary resolution number 1 – Directors’ authority to take all such actions necessary to implement the *Pro-rata* Repurchase and Distribution**

**Resolved that**, any director of HCI, be and is hereby authorised and empowered to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of the *Pro-rata* Repurchase and Distribution and special resolution number 1.

In terms of section 65(7) of the Companies Act and HCI's MOI, the requisite percentage of voting rights for this resolution to be adopted is 50% plus 1 vote.

**Entitlement to attend and vote at the General Meeting**

HCI Shareholders who wish to participate in the General Meeting should note that in terms of section 63 of the Companies Act, they are required to provide reasonable satisfactory identification before being entitled to attend or participate in a shareholders' meeting.

Certificated HCI Shareholders or Own-name Dematerialised HCI Shareholders may attend and vote at the General Meeting, or alternatively appoint a proxy to attend, speak and, in respect of the applicable resolution(s), vote in their stead by completing the attached form of proxy and returning it to the Transfer Secretaries at the address given in the Circular by no later than 10:00 on Tuesday, 28 August 2012.

Dematerialised HCI Shareholders other than Own-name Dematerialised HCI Shareholders, must contact their CSDP or Broker, as the case may be, and obtain the relevant letter of representation from it if they wish to attend the General Meeting. If HCI Shareholders are unable to attend the General Meeting but wish to be represented thereat, they must furnish their CSDP or Broker, as the case may be, with their instructions for voting at the General Meeting.

Forms of proxy should be forwarded to reach the Transfer Secretaries at the address given in the Circular by not later than 10:00 on Tuesday, 28 August 2012.

The completion of a form of proxy will not preclude a HCI Shareholder from attending the General Meeting.

HCI Shareholders wishing to participate electronically in the General Meeting are required, by no later than 10:00 on Tuesday, 28 August 2012, to:

- deliver written notice to HCI at HCI's offices, Block B, Longkloof Studios, Darters Road, Gardens, Cape Town, 8001 (marked for the attention of HCI Managerial Services Proprietary Limited, HCI Group company secretary) that they wish to participate via electronic communication at the General Meeting ("**Written Notice**"); or
- register on HCI's website at [www.hci.co.za](http://www.hci.co.za) where a link to the registration page will be placed ("**Electronic Notice**").

In order for the Written Notice or the Electronic Notice to be valid it must contain: (a) if the HCI Shareholder is an individual, a certified copy of his/her identity document and/or passport; (b) if the HCI Shareholder is not an individual, a certified copy of a resolution or letter of representation by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution or signed the relevant letter of representation. The letter of representation or resolution must set out who from the relevant entity is authorised to represent the entity at the General Meeting via electronic communication; (c) a valid e-mail address and/or facsimile number ("**Contact Address/Number**"); and (d) confirmation of whether the HCI Shareholder wishes to vote via electronic communication. By no later than 24 (twenty four) hours before the General Meeting HCI shall use its reasonable endeavours to notify a HCI Shareholder at its Contact Address/Number who has delivered a valid Written Notice or the Electronic Notice of the relevant details through which the HCI Shareholder can participate via electronic communication.

Should you wish to participate in the General Meeting by way of electronic communication as aforesaid, you, or your proxy, will be required to dial-in to the dial-in facility on the date of the General Meeting. The dial-in facility will be linked to the venue at which the General Meeting will take place on the date of, from the time of commencement of, and for the duration of, the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner (and as contemplated in section 63(2) of the Companies Act) and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting. The costs borne by you or your proxy in relation to the dial-in facility will be for your own account.



# HOSKEN CONSOLIDATED INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)  
Registration number: 1973/007111/06  
Share code: HCI ISIN: ZAE000003257

## FORM OF PROXY – GENERAL MEETING

All terms defined in the Circular, to which this form of proxy is attached, shall bear the same meanings when used in this form of proxy.

For use by Certificated HCI Shareholders or Own-name Dematerialised HCI Shareholders at the General Meeting of HCI to be held at 10:00 on Thursday, 30 August 2012 at the registered offices of HCI, Block B, Longkloof Studios, Darters Road, Gardens, Cape Town, 8001.

If Dematerialised HCI Shareholders, other than Own-name Dematerialised HCI Shareholders have not been contacted by their CSDP or Broker with regard to how they wish to cast their vote, they should contact their CSDP or Broker and instruct their CSDP or Broker as to how they wish to cast their vote at the General Meeting in order for their CSDP or Broker to vote in accordance with such instructions. If Dematerialised HCI Shareholders, other than Own-name Dematerialised HCI Shareholders, have not been contacted by their CSDP or Broker it is advisable for them to contact their CSDP or Broker, as the case may be, and furnish them with their instructions. Dematerialised HCI Shareholders who are not Own-name Dematerialised HCI Shareholders and who wish to attend the General Meeting must obtain their necessary letter of representation from their CSDP or Broker, as the case may be and submit same to the Transfer Secretaries, at the address given in the "Corporate information and advisers" section of the Circular to which this form of proxy is attached, to be received by no later than 10:00, on Tuesday, 28 August 2012. This must be done in terms of the agreement entered into between the Dematerialised HCI Shareholder and their CSDP or Broker. If the CSDP or Broker, as the case may be, does not obtain instructions from such Dematerialised HCI Shareholders, it will be obliged to act in terms of the mandate furnished to it, or if the mandate is silent in this regard, to abstain from voting. **Dematerialised HCI Shareholders, other than Own-name Dematerialised HCI Shareholders, must not complete this form of proxy and should read note 11 of the overleaf.**

Full name: I/We (BLOCK LETTERS)

Of (address)

Telephone: (Work) (area code)

Telephone: (Home) (area code)

Fax: (area code)

Cell number

being the holder(s) of  HCI Shares

hereby appoint:

1. \_\_\_\_\_ or failing him/her,
2. \_\_\_\_\_ or failing him/her,
3. the chairman of the General Meeting,

as my/our proxy to vote for me/us on my/our behalf at the General Meeting to be held at 10:00 on Thursday, 30 August 2012 or any adjournment thereof as follows:

Resolution	For	Against	Abstain
<b>Special resolution</b> Specific authority, in terms of HCI's MOI and the Companies Act, for the repurchase by HCI of up to 4 033 129 HCI Shares in exchange for a distribution of 11.95191 Niveus Investments Shares for each HCI Repurchase Share			
<b>Ordinary resolution</b> Directors' authority to take all such actions necessary to implement the <i>Pro-rata</i> Repurchase and Distribution			

Signature

Assisted by me (if applicable)

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

**A HCI Shareholder entitled to attend and vote at the General Meeting may appoint one or more persons as his/her proxy to attend, speak or vote in his/her stead at the General Meeting. A proxy need not be a HCI Shareholder.**

**On a show of hands, every HCI Shareholder shall have one vote (irrespective of the number of HCI Shares held). On a poll, every HCI Shareholder shall have, for each HCI Share held by him/her/it that proportion of the total votes in HCI which the aggregate amount of the nominal value of that share held by him bears to the aggregate amount of the nominal value of all the HCI Shares issued by the Company.**

## Notes:

1. A HCI Shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the spaces provided with or without deleting "the chairman of the General Meeting", but any such deletion must be initialed by the HCI Shareholder. The person whose name appears first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please indicate in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of HCI Shares exercisable by you, insert the number of HCI Shares held in respect of which you wish to vote. Failure to provide an indication as to the manner in which you wish your votes to be cast will be deemed to authorise and compel the chairman, if the chairman is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as he/she/it deems fit, in respect of all your votes exercisable thereat. A HCI Shareholder or his/her/its proxy is not obliged to use all the votes exercisable by the HCI Shareholder or its/his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the HCI Shareholder or his/her/its proxy.
3. Forms of proxy must be lodged with the Transfer Secretaries, at 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by no later than 10:00 on Tuesday, 28 August 2012.
4. Any alteration or correction made to this form of proxy must be initialed by the signatory(ies).
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Transfer Secretaries or waived by the chairman of the General Meeting.
6. The completion and lodging of this form of proxy will not preclude the relevant HCI 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 HCI Shareholder wish to do so.
7. The chairman of the General Meeting may accept or reject any form of proxy which is completed and/or received other than in accordance with these notes and instructions, provided that the chairman is satisfied as to the manner in which the HCI Shareholder wishes to vote.
8. This form of proxy shall not be valid after the expiration of the General Meeting.
9. Joint holders – any such persons may vote at the General Meeting in respect of such joint HCI Shares as if he/she/it were solely entitled thereto, but if more than one of such joint holders are present or represented at the General Meeting, that one of the said persons whose name stands first in the register in respect of such HCI Shares or his/her/its proxy, as the case may be, is alone entitled to vote in respect thereof.
10. Own-name Dematerialised HCI Shareholders will be entitled to attend the General Meeting in person or, if they are unable to attend and wish to be represented thereat, must complete and return the attached form of proxy to the Transfer Secretaries in accordance with the time specified on the form of proxy.
11. HCI Shareholders who hold HCI Shares through a nominee should advise their nominee or, if applicable, their CSDP or Broker timeously of their intention to attend and vote at the General Meeting or to be represented by proxy thereat in order for their nominee or, if applicable, their CSDP or Broker to provide them with the necessary letter of representation to do so or should provide their nominee or, if applicable, their CSDP or Broker timeously with their voting instruction should they not wish to attend the General Meeting in person, in order for their nominee to vote in accordance with their instruction at the General Meeting.

## Summary of the rights established in terms of section 58 of the Companies Act:

For purposes of this summary, "shareholder" shall have the meaning ascribed thereto in the Companies Act.

1. At any time, a shareholder of a company is entitled to appoint an individual, including an individual who is not a shareholder of that company, as a proxy, to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for one year after

the date upon which the proxy was signed, or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act or expires earlier as contemplated in section 58(8)(d) of the Companies Act.

3. Except to the extent that the Memorandum of Incorporation of a company provides otherwise:
  - 3.1 a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder;
  - 3.2 a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
  - 3.3 a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
4. Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
5. Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the company.
6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
7. If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's Memorandum of Incorporation to be delivered by such company to the shareholder, must be delivered by such company to the shareholder; or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the company for doing so.
8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation, or the instrument appointing the proxy provide otherwise.
9. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
  - 9.1 such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
  - 9.2 the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
  - 9.3 the company must not require that the proxy appointment be made irrevocable; and
  - 9.4 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.





## HOSKEN CONSOLIDATED INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1973/007111/06

Share code: HCI ISIN: ZAE000003257

---

### FORM OF ELECTION, SURRENDER AND TRANSFER

---

The definitions as set out on pages 6 to 9 of the Circular apply throughout this Form of Election, Surrender and Transfer, unless the context clearly indicates otherwise.

#### FOR USE BY CERTIFICATED HCI SHAREHOLDERS

*This Form of Election, Surrender and Transfer is only applicable to Certificated HCI Shareholders who wish to participate in the Pro-rata Repurchase and Distribution, in whole or in part, as set out in the Circular to HCI Shareholders, dated Monday, 30 July 2012, to which this form is attached. This form is **not** to be used by Dematerialised HCI Shareholders, who are required to instruct their CSDP or Broker if they wish to participate in the Pro-rata Repurchase and Distribution in accordance with the terms of their agreement with the CSDP or Broker.*

#### Notes and instructions:

Persons who have acquired HCI Shares after the date of posting the Circular, can obtain copies of the Circular and this form from the Transfer Secretaries, Computershare, at the address given below.

**Part A** *must be completed by all Certificated HCI Shareholders who wish to participate in the Pro-rata Repurchase and Distribution, in whole or in part.*

**Part B** *must be completed by emigrants and non-residents of the Common Monetary Area who wish to participate in the Pro-rata Repurchase and Distribution, in whole or in part:*

- Section 1 must be completed by all Certificated HCI Shareholders who are emigrants of the Common Monetary Area: and
- Section 2 must be completed by all other Certificated HCI Shareholders who are non-residents of the Common Monetary Area.

No receipts will be issued for Documents of Title lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required.

If you are in any doubt as to how to complete this form, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser immediately.

This form must be returned to the Transfer Secretaries together with the relevant HCI Share certificates or other Documents of Title, so as to be received prior to Friday, 14 September 2012. If your Documents of Title have been lost or destroyed, you should nevertheless return this form, together with a duly executed indemnity provided by the Transfer Secretaries. HCI may, in its sole discretion, dispense with the surrender of such Documents of Title upon production of satisfactory evidence that the Documents of Title have been lost or destroyed and upon provision of a suitable indemnity. Unless otherwise agreed by HCI, only indemnity forms obtained from the Transfer Secretaries (available on request) will be regarded as suitable.

Signatories may be called upon for evidence of their authority or capacity to sign this form.

Any alteration to this Form of Election, Surrender and Transfer must be signed in full and not initialed. Any alteration may be refused by HCI in its discretion.

If this form is signed under a power of attorney, then such power of attorney or a notarially certified copy hereof, must be sent with this form for noting, unless it has already been noted by the Transfer Secretaries.

Where the Certificated HCI Shareholder is a company or a close corporation or other juristic person, a certified copy of the directors' or members' or other resolution authorising the signing of this form must be submitted together with this form, unless it has already been registered with the Transfer Secretaries or this form bears the JSE Broker's stamp.

Where HCI Shares are jointly held, this form of acceptance and surrender must be signed by all joint holders; however, HCI shall be entitled to, in its absolute discretion, accept signature only of that holder whose name stands first in the register in respect of such HCI Shares.

In the case of HCI Shareholders who are emigrants from the Common Monetary Area, the Niveus Investments Shares will in the case of Certificated HCI Shareholders whose Document(s) of Title have been restrictively endorsed under the Exchange Control Regulations, be forwarded to the authorised dealer in foreign exchange in South Africa controlling such Certificated HCI Shareholders' blocked assets in terms of the Exchange Control Regulations. The attached Form of Election, Surrender and Transfer makes provision for details of the authorised dealer concerned to be given.

The Niveus Investments Shares accruing to non-resident HCI Shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will, in the case of Certificated HCI Shareholders, whose Documents(s) of Title have been restrictively endorsed under the Exchange Control Regulations, be posted to the registered addresses of the non-resident HCI Shareholders concerned, unless written instructions to the contrary are received and an address is provided. The attached Form of Election, Surrender and Transfer makes provision for a substitute address for this situation only.

You are referred to Annexure I of the Circular with regard to the Exchange Control Regulations.

HCI Shareholders are advised to consult their professional advisers about their personal tax positions regarding the receipt of the Niveus Investments Shares.

HCI Shareholders are referred to the Circular for the further terms and conditions applicable to the *Pro-rata* Repurchase and Distribution and its acceptance, which Circular should be read in its entirety for a full appreciation thereof.

In the event of any conflict between this form and the Circular setting out the terms of the *Pro-rata* Repurchase and Distribution, the Circular shall prevail.

#### **Transfer Secretaries**

##### **By hand or courier:**

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

##### **By post:**

Computershare Investor Services Proprietary Limited  
PO Box 61763  
Marshalltown, 2107

**ELECTION**

**Dear Sirs,**

I/We, the undersigned, hereby irrevocably and unconditionally elect: (tick the relevant option)

NOT to participate in the *Pro-rata* Repurchase and Distribution

to participate in the *Pro-rata* Repurchase and Distribution

the details of which are contained in the Circular, dated Monday, 30 July 2012, to which this form is attached.

(The table below is only to be completed by those HCI Shareholders who elect to participate in the *Pro-rata* Repurchase and Distribution)

I/We elect to participate in the *Pro-rata* Repurchase and Distribution in respect of that number of HCI Shares as indicated below, held by me/us and surrender and enclose the share certificates, certified transfer deeds and/or other Documents of Title, in respect of my/our holding of the relevant number of HCI Repurchase Shares.

Name of the registered holder (separate form for each holder)	Total number of HCI Shares held by you ("A")	Number of HCI Shares in respect of which you elect to participate in the <i>Pro-rata</i> Repurchase and Distribution (limited to a maximum of 3.07% of your HCI shareholding) ("B")	Percentage of your HCI Shares in respect of which you elect to participate in the <i>Pro-rata</i> Repurchase and Distribution (limited to a maximum of 3.07% of your HCI shareholding) ("C" = B/A x 100)	Number of Niveus Investments Shares to be received in terms of the <i>Pro-rata</i> Repurchase and Distribution ("D" = B x 11.95191)	Certificate number(s) for the HCI Repurchase Shares referred to in B
<b>TOTAL</b>					

**Applications for excess Niveus Investments Shares in terms of the *Pro-rata* Repurchase and Distribution**

HCI Shareholders are entitled to tender additional HCI Shares in terms of the *Pro-rata* Repurchase and Distribution, in exchange for a distribution *in specie* of Niveus Investments Shares. Any HCI Shares tendered in excess of the amount to which HCI Shareholders are entitled to tender, will be open for acceptance, as HCI resolves, on an equitable basis to the extent that it will increase the percentage of Niveus Investments Shares distributed to not more than 45% and the number of HCI Shares repurchased to not more than 4 033 129.

I/We, the undersigned, hereby elect to tender \_\_\_\_\_ ("E") additional HCI Shares in exchange for the distribution of \_\_\_\_\_ (calculated as E x 11.95191) additional Niveus Investments Shares in terms of the *Pro-rata* Repurchase and Distribution.

My/Our signature(s) on this form constitutes my/our execution of an instrument of transfer of the HCI Shares held by me/us and for which the *Pro-rata* Repurchase and Distribution is accepted by HCI and I/we hereby irrevocably nominate and constitute a duly authorised representative of HCI in my/our name to place and stand to sign all further document(s) necessary to give effect to the transfer of the under mentioned HCI Shares into the name of HCI and/or its nominee(s).

(Please ensure that you have inserted (in the table set out above) the number of HCI Shares in respect of which the *Pro-rata* Repurchase and Distribution, in whole or in part is accepted. Failure to state the number of HCI Shares shall be deemed to indicate full acceptance of the *Pro-rata* Repurchase and Distribution in respect of all of the HCI Shares represented by the surrendered Documents of Title).

Signature of acceptor \_\_\_\_\_

Assisted by (if applicable) \_\_\_\_\_

Place \_\_\_\_\_ Date \_\_\_\_\_ 2012

**PART A** – All Certificated HCI Shareholders accepting the *Pro-rata* Repurchase and Distribution, in whole or in part, must please complete this section (in BLOCK CAPITALS).

Surname or Name of corporate body

---

First names (in full, if applicable)

---

Title (Mr, Mrs, Miss, Ms, etc.)

---

Address to which the Niveus Investments share certificates should be sent (if different from registered address)\*  
(Preferably a PO Box address)

---

Postal code

---

Telephone number (            )

Telefax (            )

---

**PART B**

1. To be completed by HCI Shareholders who are emigrants from the Common Monetary Area:

Documents of title will be endorsed and will be forwarded to the authorised dealer in foreign exchange in South Africa controlling such Certificated HCI Shareholders' blocked assets in terms of the Exchange Control Regulations. Such emigrant shareholders must give the following information:

Name and address of the authorised dealer in the Republic of South Africa:

---

---

---

---

2. To be completed by all HCI Shareholders who are non-residents of the Common Monetary Area, other than those required to complete 1 above.

In the case of Certificated HCI Shareholders, whose documents(s) of title have been restrictively endorsed under the Exchange Control Regulations, the Niveus Investments share certificates shall be posted to the registered addresses of the non-resident HCI Shareholders concerned, unless written instructions to the contrary are received and an address provided.

Substitute address:

---

---

---

---



