

**MINUTES OF THE COMBINED NGWENYA 3 SHARE BLOCK (PTY) LIMITED AND NGWENYA 4
SHARE BLOCK (PTY) LIMITED ANNUAL SHAREHOLDERS MEETING
HELD AT THE COUNTRY CLUB JOHANNESBURG, WOODMEAD
ON THE 13TH OF SEPTEMBER 2019 AT 11H00**

**PRESENT:
DIRECTORS:
AS PER THE ATTENDANCE REGISTER**

**MEMBERS:
AS PER THE ATTENDANCE REGISTER**

**IN ATTENDANCE:
AS PER THE ATTENDANCE REGISTER**

1. OPEN AND WELCOME

The Chair opened the meeting and welcomed everyone present.

2. APOLOGIES / PROXIES / QUORUM

The Chair advised the Members that 16 Apologies, 13 Proxies and 9 Letters of Representation had been received. The quorum was 1% of all the voting rights and at least 3 Members present in person or by proxy and as there were more than 3 Members representing 82.30% and 95.60% of the total votes in Ngwenya 3 Share Block (Pty) Limited and Ngwenya 4 Share Block (Pty) Limited respectively there was a quorum present and as the notice had been served timeously, the Chair accordingly declared the meeting as duly constituted.

3. MINUTES OF THE PREVIOUS ANNUAL SHAREHOLDERS MEETING HELD ON THE 5TH OF OCTOBER 2018

The approved minutes having been circulated was accepted as read. There were no matters arising from the previous minutes.

4. PRESENTATION OF THE CHAIR'S INTEGRATED AND COMBINED REPORT

The Chair's Integrated Report having been circulated was accepted as read. The Chair highlighted the pertinent aspects of the Report and events that had happened since the last Annual Shareholders Meeting. The Chair, on behalf of the Board, thanked the Members for their diligent payment of their levies and their attendance at the Annual Shareholders Meeting.

The following matters arose from the correspondence received:

4.1 NCC INVESTIGATION

The Report was released in December 2018 after an excessive and long winded process. The Report basically focused on the Clubs and not Share Blocks. Legislation in South Africa was outdated specifically regarding consumer protection legislation. A few matters had been recommended to various departments. The Report was finalised with no direct impact on Share Blocks, however there could be an indirect impact depending on changes to legislation with regards to the timeshare Clubs. The Board was endeavouring to remain involved in the processes and would monitor the situation which would then be communicated to the Shareholders.

4.2 MINING APPLICATION

The Chair thanked all the Shareholders who were involved in opposing the mining application.

The process was on-going with many interested and affected parties raising concerns. The application was faulty, statutory requirements not being met with timeframes etc. The Environmental Management Practitioner had withdrawn however, the main applicant had not withdrawn. A plagiarism and fraud case had been opened against the Environmental Management Practitioner.

4.3 TENDER PROCESS

The Chair advised that there were at times defaulting Shareholders who could no longer afford their levies and then abandoned their weeks. These weeks were then set out for tender. The process for a tender was a closed one. The Shareholders were notified that the weeks were going out on tender. In the event that anyone would be interested in purchasing one of the available weeks, the Shareholders were then invited to tender. There was a specific Committee dealing with the process ensuring that the tender would then be allocated to the highest offer. Thereafter there would be an independent review. The purchase price of the weeks were however not disclosed to ensure that a specific market expectation or price for the weeks was not created. The process was properly vetted and the tender was awarded accordingly.

The Chairman thanked the Shareholders for paying their levies and especially the Shareholders who visited the Resort and who provided feedback.

4.4 VRS OPTIONS

The Chairman explained that when using VRS options via the web site, the database, when making a reservation, was linked to multiple systems including various exchange organisations.

The Chairman stated that it was important that Members utilised their timeshare product. This could be done in multiple ways. In the event that a week could not be occupied for whatever reason the week could be banked via VRS Options or directly with a specific exchange organisation or by putting it up for rental or allowing friends or family to use it and in doing so get the full benefit of the product. Please note that VRS options allowed you the further option of bonus breaks

4.5 NEW WEBSITE

The website had been upgraded and positive reviews had been received. The new website was also mobile friendly and could be viewed on a mobile device. It had sightings linked to it and the Chair urged the Shareholders to make use of it and to provide feedback.

4.6 FEEDBACK FROM MR. WAK ILLGNER

Mr. Werner Illgner advised that he had been visiting Ngwenya since 1998 and that it was his preferred holiday destination. The Managing Agent had met Mr. Illgner at Ngwenya and he had spent the morning scouting the Resort and experienced aspects of Ngwenya that he did not know existed. The gardens were spectacular and the staff who were responsible for the upkeep of the Resort were friendly and helpful. The systems which were in place were impressive and professionally carried out. Mr. Illgner advised that he was proud to be a Shareholder at Ngwenya and was certain that his investment would only increase going forward.

4.7 WASTE WATER TREATMENT WORKS

The Chair advised that the new sewerage plant would be commissioned in early October 2019 which meant the process and the finalisation of same was almost complete. A large portion of the costs for the sewerage plant was absorbed from the normal operational budget. The Chair thanked the Managing Agent for excellent budget control and for managing the process.

5. PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

Mr. Gerhard Hogendoorn presented the Annual Financial Statements and explained the various notes relating to the line items concerned. The following matters were highlighted during the presentation and discussion:

5.1 DIRECTORS INTEREST / RELATED PARTIES

A query from the floor regarding Directors Interest was received based on the related party note in the Annual Financial Statements. The Chair explained that a Declaration of Interest Register was signed by all Directors whereby the Directors' interests in any other entities were declared ensuring that there was not a conflict of interest with regards to any discussions and Resolutions that were taken.

GH explained that in terms of the Companies Act and the International Financial Reporting Standards any transactions to related parties must also be declared in the Annual Financial Statements.

5.2 PROPOSED DEVELOPMENT

A member referred to the proposed development of Ngwenya whereby a Hotel was supposedly going to be erected. The Chair advised that there was a process with regards to the application which was an ongoing process and it was not foreseen to take place within the next 12 months. As soon as clarification was received a plan would be set out with regards to a possible development that could take place and same would be communicated to the Shareholders.

The Chair advised that the Waste Water Treatment Works had been erected on the Developer's property at no additional cost as there was not enough space at Ngwenya Lodge. This effectively meant that the sewerage plant could later be incorporated into the new development when it took place. Once everything was completed a servitude would be registered in favour of Ngwenya.

6. APPOINTMENT OF AUDITORS

The Board of Directors proposed the re-appointment of Theunissen Abrie Incorporated.

RESOLVED:

That Theunissen Abrie Incorporated, the Auditors, be re-appointed for the current financial year.

7. INSURANCE SCHEDULE

The meeting considered the circulated Insurance Schedule detailing the insured values, premiums, Broker and Insurer / Re-insurer and discussed the increase of the sum insured for building combined cover and as there were no questions or objections, it was:

RESOLVED:

The Insurance Schedule and values be and is hereby approved.

8. ELECTION OF DIRECTORS

The Chair advised that currently the same Directors served on both Boards.

- 8.1** As Mr. J van Niekerk was retiring and re-nominated for election he requested Ms. C van den Berg to conduct the election of the Directors. The Meeting approved the proposal that Ms. C van den Berg Chair this portion of the meeting and Mr. J van Niekerk handed the Chair to Ms. C van den Berg.
- 8.2** Ms. C van den Berg confirmed that in terms of the provisions of the Mol the minimum number of Directors was 3 and in terms of Article 19.1 of the Mol one half of the elected Directors stood down by rotation.
- 8.3** As Mr. J van Niekerk stood down and as he had confirmed that he was eligible and available for re-election, and as there were no further nominations, Ms. C van den Berg proposed that Mr. J van Niekerk be elected on a show of hands and by single unanimous Resolution to fill the vacancy.

RESOLVED:

Mr. J van Niekerk be and is hereby elected and appointed as Director to serve on both Boards for the ensuing year.

- 8.4** Ms. C van den Berg congratulated Mr. J van Niekerk on his reappointment and handed the Chair back to Mr. J van Niekerk.

9. SPECIAL RESOLUTIONS FOR NGWENYA 3 SHARE BLOCK (PTY) LIMITED

9.1 SPECIAL RESOLUTION 1

RESOLVED:

To grant the Directors of the Company the authority to provide direct or indirect financial assistance to any Company or Corporation which is related or inter-related to the Company.

This general authority will expire at the end of two years from the date on which the approval was granted.

9.2 SPECIAL RESOLUTION 2

RESOLVED:

In terms of Section 66(9) of the Companies Act no 71 of 2008 (as amended), the Company be and is hereby authorised to remunerate its non-executive Directors for their services as Directors on the basis set out below and on such basis as may be approved by the Board of Directors:

- 9.2.1** Fees are paid per meeting attended, unless otherwise resolved.
- 9.2.2** The non-executive Directors will be remunerated at an amount of R5 297 per Board meeting (based on a minimum of one meeting per quarter.)

9.2.3 An annual increase in the fees of the non-executive Directors for the effective period of this Special Resolution will be equal to the percentage increase approved for the Company's management staff members.

9.3 ORDINARY RESOLUTION

That following on from the adoption of Special Resolutions 1 and 2, that the Board of Directors and or the Managing Agent be and are authorised to do all things necessary to give effect to the filing and execution of the Special Resolutions so adopted.

10. SPECIAL RESOLUTIONS FOR NGWENYA 4 SHARE BLOCK (PTY) LIMITED

10.1 SPECIAL RESOLUTION 1

RESOLVED:

To grant the Directors of the Company the authority to provide direct or indirect financial assistance to any Company or Corporation which is related or inter-related to the Company.

This general authority will expire at the end of two years from the date on which the approval was granted.

10.2 SPECIAL RESOLUTION 2

RESOLVED:

In terms of Section 66(9) of the Companies Act no 71 of 2008 (as amended), the Company be and is hereby authorised to remunerate its non-executive Directors for their services as Directors on the basis set out below and on such basis as may be approved by the Board of Directors:

10.2.1 Fees are paid per meeting attended, unless otherwise resolved.

10.2.2 The non-executive Directors will be remunerated at an amount of R5 297 per Board meeting (based on a minimum of one meeting per quarter.)

10.2.3 An annual increase in the fees of the non-executive Directors for the effective period of this Special Resolution will be equal to the percentage increase approved for the Companies management staff members.

10.3 ORDINARY RESOLUTION

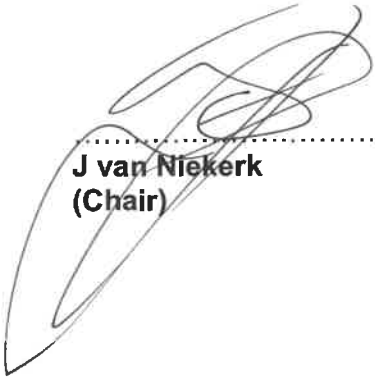
That following on from the adoption of Special Resolutions 1 and 2, that the Board of Directors and or the Managing Agent be and are authorised to do all things necessary to give effect to the filing and execution of the Special Resolutions so adopted.

11. VOTE OF THANKS AND DISSOLUTION OF MEETING

The Chair thanked VRS and the Resort staff for their assistance and contributions in ensuring memorable holidays. The Chair thanked the Shareholders for their loyal support.

As there were no further matters for discussion the Chair dissolved the meeting.

Approved and signed at Pretoria on the 28th day of February 2020.



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J van Niekerk
(Chair)