

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, please consult your Central Securities Depository Participant (“CSDP”), broker, banker, attorney, accountant or other professional advisor immediately.

Action required by Dematerialised and Certificated Shareholders:

1. If you have disposed of your Shares in Randgold & Exploration Company Limited (“R&E”), this Circular and the attached Form of Proxy should be handed to the purchaser of such Shares or the CSDP, broker, banker or other agent through whom the disposal was effected.

If you are holding Certificated Shares and/or are an “Own-Name” Dematerialised Shareholder:

2. Holders of Certificated Shares and holders of Dematerialised Shares who have elected “Own-Name” registration in the sub-register through a CSDP, who are unable to attend the General Meeting of R&E’s Shareholders to be held at MW Business Centre, Michelangelo Hotel, Mandela Square, Sandton, Johannesburg at 12:00 on Friday, 30 May 2014 (“the General Meeting”), but wish to be represented thereat must complete and return the attached Form of Proxy in accordance with the instructions contained therein so as to be received by the Transfer Secretaries, Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61763, Marshalltown, 2107) by no later than 12:00 on Wednesday, 28 May 2014.

If you have Dematerialised your Shares and are not an “Own-Name” Dematerialised Shareholder:

3. Holders of Dematerialised Shares must instruct their CSDP or broker to vote on their behalf in accordance with the custody agreement entered into between the Dematerialised Shareholder and their CSDP or broker. Such Dematerialised Shareholders who wish to attend the General Meeting in person or send a proxy to represent them thereat, must request their CSDP or broker to provide them with the necessary letter of authority for them or their proxy to attend and vote their Shares.
4. Any CSDP or broker which does not obtain timeous voting instructions in terms of paragraph 3 above will be obliged to vote in accordance with the instructions as contained in the custody agreement concluded between themselves and the Dematerialised Shareholder concerned.

RANDGOLD

RANDGOLD & EXPLORATION COMPANY LIMITED

RANDGOLD & EXPLORATION COMPANY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1992/005642/06)

Share code: RNG ISIN: ZAE00008819

(“R&E” or “the Company” or “the Group”)

VOLUNTARY CIRCULAR TO R&E SHAREHOLDERS

relating to:

- the approval and ratification of the conclusion and implementation of the Settlement Agreement between R&E and PWC;

and incorporating

- a notice of General Meeting of R&E’s Shareholders; and
- a Form of Proxy (*blue*) for Certificated and “Own Name” Dematerialised Shareholders.

Corporate Advisor and Sponsor



Transfer Secretaries



Independent Reporting
Accountants and Auditors



Date of issue: Wednesday, 30 April 2014

This Circular is available in English only. Copies may be obtained from the registered office of the Company and the Transfer Secretaries at the addresses set out in the “Corporate Information” section of this Circular from the issue date of this Circular until the day of the General Meeting.

CORPORATE INFORMATION

COMPANY SECRETARY AND REGISTERED OFFICE

Van Zyl Botha CA(SA)
Third Floor, Sandton City Office Towers
158 Fifth Street, Sandhurst
Sandton, 2196

Postal address

Suite 7, Andmar Building, Ryneveld Street
Stellenbosch, 7600

CORPORATE ADVISOR AND SPONSOR

PSG Capital (Proprietary) Limited
(Registration number 2006/015817/07)
1st Floor
Ou Kollege Building
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

and at:

1st Floor, Building 8
Inanda Greens Business Park
54 Wierda Road West, Wierda Valley
Sandton, 2196
(PO Box 987, Parklands, 2121)

TRANSFER SECRETARIES

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

REPORTING ACCOUNTANTS AND AUDITORS

KPMG Incorporated
(Registration number 1999/021543/21)
MSC House, 1 Mediterranean Street
Foreshore, Cape Town, 8001
(PO Box 4609, Cape Town, 8000)

ATTORNEYS

Van Hulsteyns
Third Floor, Sandton City Office Towers
158 Fifth Street, Sandhurst
Sandton, 2196
(PO Box 783436, Sandton, 2146)

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IMPORTANT DATES AND TIMES

2014

Circular and notice of General Meeting posted to Shareholders on	Wednesday, 30 April
Last day for receipt of proxies in respect of General Meeting by 12:00 on	Wednesday, 28 May
General Meeting of Shareholders at 12:00 on	Friday, 30 May
Results of General Meeting released on SENS on	Friday, 30 May

Note:

1. The definitions commencing on page 3 of this Circular apply *mutatis mutandis* to the important dates and times as set out above.
2. Any changes to the above dates and times will be released on SENS.

INTERPRETATIONS AND DEFINITIONS

Throughout this Circular unless otherwise stated, the words in the first column shall have the meanings assigned to them in the second column, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and words in the singular shall include the plural and *vice versa*.

“Action”	the civil action instituted by R&E against PWC in the South Gauteng High Court, Johannesburg, South Africa, under case number 3854/2008;
“Amended Particulars of Claim”	the amended particulars of claim delivered by R&E in the Action, on 6 August 2010;
“Amended Plea”	the amended plea delivered by PWC in the Action, on 31 March 2011;
“Arbitrator”	the arbitrator appointed by R&E and PWC to adjudicate the Disputes, being retired Judge of the Supreme Court of Appeal, Judge F R Malan;
“Arbitration”	the arbitration proceedings in which R&E and PWC are engaged, pursuant to the Arbitration Agreement;
“Arbitration Act”	the Arbitration Act (No. 42 of 1965), as amended from time to time;
“Arbitration Agreement”	the written arbitration agreement concluded between R&E and PWC;
“the Board” or “the Board of Directors”	the board of directors of R&E as at the date of this Circular;
“Certificated Shareholders” or “Holders of Certificated Shares”	Shareholders who have not dematerialised their Shares and whose names are entered on the certificated register of the Company as the registered holders thereof;
“Circular”	this voluntary circular to R&E Shareholders, dated Wednesday, 30 April 2014, including the notice of General Meeting and Form of Proxy;
“Common Monetary Area”	South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of Swaziland;
“Companies Act”	the South African Companies Act, 2008 (Act 71 of 2008), as amended;
“Control”	in relation to R&E – <ul style="list-style-type: none">– the direct or indirect beneficial ownership of more than 50% (fifty percent) of the total issued shares of any company;– the right through shareholding or otherwise to control the composition of the board of directors of any subsidiary company;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act;
“Days”	means calendar days unless qualified by the word “ business ”, in which event a “ business day ” will be any day other than a Saturday, Sunday or a public holiday as gazetted by the government of South Africa from time to time;
“Dematerialised”	the process by which Shares held by the Holders of Certificated Shares or other Documents of Title are converted to and held in electronic form as uncertificated Shares in terms of the STRATE system and recorded in the sub-register of Shareholders maintained by a CSDP;
“Dematerialised Shareholders” or “Holders of Dematerialised Shares”	Shareholders who have Dematerialised their Shares and whose names are entered on the sub-register of the Company as the registered holders thereof;
“Dematerialised Shares”	Shares which have been Dematerialised;
“the Directors”	the Board of Directors of R&E at the Last Practicable Date;
“Disputes”	the disputes which appear from the Pleadings, which have been referred by R&E and PWC to Arbitration;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts or any other Documents of Title to Shares acceptable to the Board;

“Financial Markets Act”	the Financial Markets Act (Act 19 of 2012);
“General Meeting”	the general meeting of R&E Shareholders to be held on Friday, 30 May 2014, at MW Business Centre, Michelangelo Hotel, Mandela Square, Sandton, Johannesburg at 12:00;
“JSE”	JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated with limited liability under the company laws of South Africa and licensed as an exchange under the Financial Markets Act;
“JSE Listings Requirements”	the listings requirements of the JSE;
“Last Practicable Date”	Thursday, 17 April 2014, the Last Practicable Date prior to the finalisation of this Circular;
“Memorandum of Incorporation”	the memorandum of incorporation of the Company;
“Own-Name Registration”	the process by which Shareholders have Dematerialised their Shares and the Shares are held in the name of the Shareholder in electronic form in the sub-register of the Company;
“Pleadings”	the pleadings exchanged between R&E and PWC in terms of the Action prior to the signature date of the Settlement Agreement;
“PWC”	PricewaterhouseCoopers Incorporated (Registration number: 1998/12055/21), a company registered and duly incorporated in accordance with the laws of the Republic of South Africa, being the defendant in the Arbitration;
“PWC Claims”	all and any claims enjoyed by PWC against R&E which arose on or before the signature date of the Settlement Agreement, including any claim which PWC becomes aware of subsequent to the signature date of the Settlement Agreement, in respect of transactions, dealings, conduct and/or acts or omissions which occurred prior to the signature date of the Settlement Agreement, in respect of which PWC enjoys a claim against R&E, whether or not a claim has been instituted and includes the capital of, interest incurred on and legal costs in respect of such claims;
“R” or “Rand”	South African Rands, the currency of South Africa;
“Replication”	the replication delivered by R&E in the Action;
“R&E” or “the Company”	Randgold & Exploration Company Limited (Registration number; 1992/005642/06), a public company duly incorporated in accordance with the laws of the Republic of South Africa, being the claimant in the Arbitration;
“R&E Claims”	all and any claims enjoyed by R&E against PWC which arose on or before the signature date of the Settlement Agreement, including any claims which R&E becomes aware of subsequent to the signature date of the Settlement Agreement, in respect of transactions, dealings, conduct and/or acts or omissions which occurred prior to the signature date of the Settlement Agreement, in respect of which R&E enjoys a claim against PWC, whether or not a claim has been instituted against PWC therefor, and incorporating the claims made by R&E against PWC, as set out in the Amended Particulars of Claim and includes the capital of, interest incurred on and legal costs in respect of such claims;
“R&E Group” or “the Group”	R&E and the companies over which it exercises Control;
“R&E Resolution”	means the ordinary resolution of R&E which is to be proposed to the Shareholders of R&E at the General Meeting, in order to approve and ratify the conclusion and implementation of the Settlement Agreement;
“R&E Shares” or “Ordinary Shares” or “Shares”	Ordinary Shares with a par value of 1 (one) cent each in the issued ordinary share capital of R&E;
“R&E Shareholders” or “Shareholders”	the registered holders of R&E Shares;
“SENS”	the Stock Exchange News Service of the JSE;
“Settlement Agreement”	the memorandum of agreement dated 16 April 2014 executed between R&E and PWC relating to the settlement of the R&E Claims and the PWC Claims as provided for in the Settlement Agreement, where each party will be responsible for its own legal costs (which in the case of R&E amounts to approximately R34 million);

“Settlement Amount”	the South African Rand amount of R150 000 000.00 (one hundred and fifty million Rand);
“South Africa”	the Republic of South Africa;
“STRATE”	STRATE Limited (registration number 1998/022242/06), a registered central securities depository in terms of the Financial Markets Act;
“STRATE system”	the clearing, custody and settlement environment for securities transactions to be settled and transfer of ownership to be recorded electronically, as managed by STRATE;
“the Transfer Secretaries”	Computershare Investor Services (Proprietary) Limited (registration number 2000/007239/07), a private company duly registered and incorporated with limited liability in South Africa;
“VAT Act”	the Value Added Tax Act (No 89 of 1991) as amended; and
“VAT”	Value added tax payable in terms of the VAT Act.

RANDGOLD & EXPLORATION COMPANY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1992/005642/06)

Share code: RNG ISIN: ZAE00008819

("R&E" or "the Company" or "the Group")

DIRECTORS

Marais Steyn – *Chief executive officer*

David Chaim Kovarsky# (*Chairman*)

John Hulme Scholes#

Van Zyl Botha – *Financial director and company secretary*

P Burton#

Independent non-executive Directors

VOLUNTARY CIRCULAR TO R&E SHAREHOLDERS

1. INTRODUCTION

On Wednesday, 16 April 2014, it was announced on SENS that R&E would convene a general meeting of its Shareholders for the purposes of considering, and if deemed fit, approving the R&E Resolution relating to the approval and ratification of the conclusion and implementation of the Settlement Agreement.

Although the conclusion and implementation of the Settlement Agreement does not require R&E Shareholder approval in terms of the Companies Act or the JSE Listings Requirements, the Board of Directors of R&E has thought it prudent that R&E Shareholders are afforded the opportunity to vote on the conclusion and implementation of the Settlement Agreement and accordingly, such approval is a condition precedent to the Settlement Agreement.

2. THE SETTLEMENT

2.1. Background information

- 2.1.1. On 3 August 2008, R&E instituted the Action against PWC in the High Court of South Africa, which Action arose as a consequence of PWC's engagement as R&E's auditor in respect of the financial period 2000 to 2003.
- 2.1.2. Arising from PWC's alleged failure to properly perform its audit of the R&E Group, R&E has, by way of its Amended Particulars of Claim in the Action, claimed damages from PWC as set out therein, contending that as a consequence of such alleged audit failures it suffered the damages claimed by it, being the replacement cost of various shares allegedly misappropriated from it and all further losses sustained as a consequence of the misappropriations and frauds perpetrated against R&E.
- 2.1.3. The relief claimed by R&E is as set out in the Amended Particulars of Claim, a copy of which is available for inspection.
- 2.1.4. PWC has defended the Action, denying any wrongdoing on its part and that it is liable to R&E in the amount claimed, or at all.
- 2.1.5. PWC has raised a number of defences to the R&E Claims, as set out in the Amended Plea, a copy of which is available for inspection.
- 2.1.6. R&E has replied to the Amended Plea by way of Replication, a copy of which is available for inspection.
- 2.1.7. An overview of the claims and defences which appear in the pleadings is set out in Annexure 3, and a counsel's opinion regarding the prospects of success appears in Annexure 4.
- 2.1.8. As at the date of this Circular the Disputes have been referred by R&E and PWC to Arbitration, pursuant to the conclusion of an Arbitration Agreement on 26 July 2013.

- 2.1.9. Without any admission of liability or the making of any concessions on the part of either R&E or PWC and purely with a view to avoiding costly litigation and for commercial reasons, R&E and PWC have decided to settle the R&E Claims and the PWC Claims on the basis as provided for in the Settlement Agreement.

2.2. Condition Precedent

- 2.2.1. The implementation of the Settlement Agreement is subject to the conditions precedent that:
- 2.2.1.1. R&E procures written irrevocable undertakings from Shareholders holding at least 51% (fifty one percent) of the issued ordinary Share capital of R&E, within 7 (seven) business Days of the signature date of the Settlement Agreement, to vote in favour of the R&E Resolution; and
- 2.2.1.2. R&E Shareholders approve and ratify the conclusion and implementation of the Settlement Agreement within 40 (forty) business Days of the signature date of the Settlement Agreement, by way of an ordinary resolution requiring 51% (fifty one percent) of R&E Shareholders voting in favour of the R&E Resolution.
- 2.2.2. By 29 April 2014, R&E had received irrevocable undertakings from 37.6% of its Shareholders (excluding the treasury shares held by R&E), to vote in favour of the R&E Resolution. In addition, R&E had received an irrevocable undertaking from Allan Gray (Pty) Limited that it would recommend to its clients (holding a further 22.7% of R&E shares, excluding the treasury shares held by R&E), to vote in favour of the R&E Resolution.
- 2.2.3. On 29 April 2014, R&E and PWC agreed to waive the condition precedent referred to in 2.2.1.1 above.

2.3. Payment of the Settlement Amount

- 2.3.1. PWC shall make payment of the Settlement Amount to R&E within 30 (thirty) days of the closing date of the Settlement Agreement, being the date of fulfilment of the conditions precedent set out in paragraph 2.2 above (“**the Closing Date**”).
- 2.3.2. To the extent that it is determined by the South African Revenue Service that VAT is payable on the Settlement Amount, or any portion thereof, PWC shall, over and above the Settlement Amount, pay such VAT as is due to R&E, on presentation of a VAT invoice by R&E to PWC.
- 2.3.3. Prior to PWC making payment of the Settlement Amount to R&E, in the event of any person obtaining an order of court in South Africa (including an interim order), prohibiting R&E from adopting the R&E Resolution and/or either or both of R&E and PWC from implementing the Settlement Agreement and such prohibition does not cease to operate within 12 (twelve) months from the Closing Date, either party shall be entitled to resile from the Settlement Agreement, upon giving 5 (five) Days written notice to the other party of its intention to do so, in which event the Settlement Agreement shall be of no force or effect and the parties shall be restored to the positions they occupied prior to entering into the Settlement Agreement.

2.4. Effect of the Settlement

- 2.4.1. Against payment of the Settlement Amount by PWC to R&E (including any VAT that may be payable thereon):
- 2.4.1.1. R&E shall have no further claims against PWC in respect of the R&E Claims, which shall be fully and finally settled;
- 2.4.1.2. PWC shall have no further claims against R&E in respect of the PWC Claims, which shall be fully and finally settled;
- 2.4.1.3. the R&E Group shall have no claims against PWC, which shall be fully and finally settled; and
- 2.4.1.4. the Action and Arbitration shall be at an end.
- 2.4.2. For the avoidance of any doubt, the Settlement as contained in the Settlement Agreement is specific to R&E and PWC only, and shall not affect any claims enjoyed by R&E against any third party, which R&E has instituted a claim for, prior to the signature date of the Settlement Agreement.

2.5. Resolutions to be tabled at the General Meeting

Shareholders are accordingly requested to approve the ordinary resolutions which will be tabled at the General Meeting which resolutions will provide for the necessary authority to be given to the Board of Directors of the Company to conclude and implement the Settlement Agreement in accordance with its terms.

3. PRO FORMA FINANCIAL INFORMATION

The *pro forma* financial effects set out below have been prepared to assist R&E Shareholders in assessing the impact of the Settlement Amount on the earnings per Share (“EPS”), headline earnings per Share (“HEPS”), net asset value (“NAV”) and tangible net asset value (“TNAV”) per Share. Due to the nature of these *pro forma* financial effects, they are presented for illustrative purposes only and may not fairly present R&E’s financial position or the results of its operations post the receipt of the Settlement Amount.

The *pro forma* financial effects have been prepared in terms of the Listings Requirements of the JSE and the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants. These *pro forma* financial effects are the responsibility of the Board. The material assumptions are set out in the notes following the table. The *pro forma* financial effects set out below were reported on by KPMG Incorporated, whose report is included as Annexure 2 to this Circular.

Pro forma financial effects:

	Audited results		Pro forma		Percentage change (%)
	prior to the receipt of the Settlement		post the receipt of the Settlement		
	Amount	Pro forma adjustments	Amount	Amount	
EPS (cents)	9.7	219.7	229.4		2 259%
HEPS (cents)	8.2	219.7	227.9		2 672%
NAV per Share (cents)	261.1	209.2	470.3		80%
TNAV per Share (cents)	261.0	209.2	470.2		80%
Ordinary Shares in issue	71 585 172	–	71 585 172		–
Weighted average number of Ordinary Shares in issue	71 585 172	–	71 585 172		–

Notes and assumptions:

- The information included in the “Audited results prior to the receipt of the Settlement Amount” column has been extracted from the audited consolidated financial results of R&E for the year ended 31 December 2013.
- For the purposes of calculating EPS and HEPS it was assumed that the Settlement Amount was received on 1 January 2013.
- For the purposes of NAV per Share and TNAV per Share it was assumed that the Settlement Amount was received on 31 December 2013.
- The proceeds received from the Settlement, being R150 million, are assumed to be invested in a short term call account for the 12 month period earning interest at 5% per annum, being the interest rate currently achieved by the Company on cash reserves.
- Transaction costs of R245 000 relating to the Settlement have been assumed.
- All adjustments have a continuing effect on the financial results of the Company.

4. INFORMATION RELATING TO THE DIRECTORS OF R&E

- The full names, functions, date of appointment, ages, nationalities, business addresses, qualifications, and experience of the Directors of R&E are set out in the table below:

Marais Steyn

Position Chief executive officer
 Appointed 13 December 2006
 Age 43
 Nationality South African
 Business address Third Floor, Sandton City Office Towers, 158 Fifth Street, Sandhurst, Sandton
 Qualifications BComm (Hons), CA (SA)
 Experience After qualifying as a chartered accountant, Marais was appointed as a manager in the audit and management consulting departments at KPMG. Subsequently, he managed and founded an auditing and corporate advisory firm serving the needs of various major corporations and parastatals. Prior to his appointment to the board of R&E, he served as financial director of Aflase Limited, a JSE-listed gold and uranium mining company.

Van Zyl Botha

Position Financial director and company secretary
 Appointed 6 May 2010
 Age 33
 Nationality South African
 Business address Third Floor, Sandton City Office Towers, 158 Fifth Street, Sandhurst, Sandton
 Qualifications BComm (Hons), CA (SA)
 Experience After qualifying as a chartered accountant, Van Zyl founded a financial consulting firm focused on the mining industry. He consulted for dual listed mining companies and was involved in government consulting at the Department of Defence through the office of the Auditor General. He joined R&E in 2006 to assist with accounting and forensic requirements and was subsequently appointed as group financial manager, as CFO on 1 August 2009, and as financial director on 6 May 2010.

David Chaim Kovarsky

Position Independent, non-executive chairman
Appointed 5 December 2007
Age 66
Nationality South African
Business address Third Floor, Sandton City Office Towers, 158 Fifth Street, Sandhurst, Sandton
Qualifications CTA, CA (SA)
Experience After qualifying as a chartered accountant, David was appointed as an audit manager at Arthur Andersen. In 1983 he joined JCI in a corporate finance function, eventually progressing to controlling JCI's Ferrochrome arm, CMI. Thereafter David ran Times Media Limited (TML) and served on the boards of listed companies such as TML, SA Breweries, M-Net and Premier Milling. Subsequently David has been involved in finance and strategy consulting functions and served as the CEO or CFO of companies of varying sizes, but mostly related to resources. Until August 2011 David was the CEO of International Ferro Metals Limited, a London listed company producing ferrochrome in South Africa. He currently acts as a consultant to various resources companies.

John Hulme Scholes

Position Independent, non-executive director
Appointed 19 February 2010
Age 47
Nationality South African
Business address East Building, 85 Central Street, Houghton, Johannesburg
Qualifications BA (Law), LLB (Wits)
Experience Hulme holds a BA Law and LLB degree from the University of the Witwatersrand and is an admitted attorney of the High Court of South Africa. Hulme specialised in mining and mineral law and has practised exclusively in the field for 17 years. He was appointed as a commercial director of Aquarius Platinum (AQPSA) during 2008 and was a partner at Werksmans Attorneys from 1999 to 2008 and a non-executive director of AQPSA from 2004 until he became an executive director of AQPSA in 2008. With effect from 1 October 2010, Hulme returned to the legal profession as a mining and mineral law advisor and is now a non-executive director of AQPSA as well as Lace Diamond Mining Company (Pty) Ltd and West Wits Mining Limited, which is listed on the Australian Stock Exchange.

Patrick Burton

Position Independent, non-executive director
Appointed 23 May 2013
Age 61
Nationality South African
Business address c/o Snoek Wholesalers (Pty) Ltd, cnr Lansdowne & Becker roads, Phillippi. 7785
Qualifications BComm (Hons) Financial Management, Postgraduate diploma in Tax Law
Experience Patrick was one of the founding members of Siphumelele Investments Ltd, a black economic empowerment company established in 1995 with a shareholder base representing in excess of 150 000 previously disadvantaged individuals. His experience as a director includes executive and non-executive positions in fishing, telecommunications, media and entertainment, technology and financial services. Patrick is a member of the audit committees of PSG Group Ltd, Thembeke Capital Ltd and Safrican Ltd.

4.2. Directors' interest in securities

As at 31 December 2013, no Director held any Shares in the Group, directly or indirectly.

4.3. Directors Emoluments

Emoluments and benefits paid to each executive and non-executive Director individually for the period ended 31 December 2013, have been set out in the table below:

Director	Basic salaries/ Fees R'000	Retirement Funds R'000	Other benefits R'000	Bonus R'000	Share Options R'000	Directors' fees R'000	Total R'000
M Steyn*	2 078	–	–	–	–	–	2 078
V Botha*	1 183	–	–	–	–	–	1 183
DC Kovarsky#	400	–	–	–	–	–	400
JH Scholes#	250	–	–	–	–	–	250
P Burton#	153	–	–	–	–	–	153

* Denotes executive Directors

Denotes independent non-executive Directors

5. SHARE CAPITAL

The authorised and issued Share capital of the Company as at the Last Practicable Date is set out in the table below:

	R
AUTHORISED SHARE CAPITAL	
105 000 000 Ordinary Shares of 1 cent each	1 050 000
ISSUED SHARE CAPITAL	
74 585 065 Ordinary Shares of 1 cent each	745 850
TREASURY SHARES	
A subsidiary of R&E holds 2 999 893 R&E Shares as treasury Shares	29 999

6. MAJOR BENEFICIAL SHAREHOLDERS

As at the Last Practicable Date, the following beneficial Shareholders held at least 3% in the issued ordinary Share capital of the Company:

Shareholder	Number of Shares	%
Pacol Investments (Pty) Ltd	16 985 212	22.77
Allan Gray (Pty) Ltd clients	16 249 211	21.79
ADRs (American Depositary Receipts)	5 054 414	6.78
Letseng Diamonds Limited	4 433 977	5.94
Investec Bank Limited	4 196 995	5.63
Refraction Investment (Pty) Ltd	2 999 893	4.02
Charisma Holdings (Pty) Ltd	3 000 000	4.02
Zerbans Cake and Coffee Shop CC	2 758 500	3.70

7. LITIGATION STATEMENT

The R&E Group remains involved in a number of legal matters, both in respect of claims instituted against third parties and in respect of legal proceedings initiated by third parties against R&E.

Shareholders are referred to previous legal reports, SENS announcements, updates to shareholders, circulars and prior annual reports published by R&E for the relevant background to such legal matters and claims. Further information of and regarding such claims may also be found on R&E's website at www.randgoldexp.co.za.

The following outlines the various matters in which R&E and/or certain of its subsidiaries have been/remain engaged since 1 January 2013, with the exception of the Arbitration and the R&E Claims and the PWC Claims, which is the subject matter of the Settlement Agreement and is dealt with elsewhere in this Circular:

Action against Gold Fields Operations Limited (Gold Fields):

1. Following the institution of an action by R&E and African Strategic Investment (Holdings) Limited (ASI) against Gold Fields in 2008, Gold Fields proceeded with an application for security for costs and for the discovery of documents.
2. Notwithstanding that Gold Fields did not prosecute either its security for costs application or its discovery application to finality, R&E and ASI made discovery in February 2013.
3. Without in any way detracting from the action of R&E and ASI against Gold Fields and the prosecution thereof, in April 2013, R&E and Gold Fields agreed that pending the resolution of the Action (be it through settlement, withdrawal, securing a final award or any other possible means which may bring finality thereto), the action against Gold Fields would be held in abeyance, where after R&E and ASI will review their position.

Action against Paul Main (Main) in the High Court of Justice, Chancery Division, England (the UK action)

4. On 22 October 2009, ASI and R&E (the Claimants), instituted action against Main in the High Court of Justice, Chancery Division, England. Such action was defended by Main.
5. On 23 March 2012, following the presentation of the Claimants' case, ASI, R&E and Main concluded a written settlement. In terms of the settlement, Main agreed to make payment to ASI and R&E of a settlement amount of US\$4 million in two equal instalments, the first of which was paid shortly thereafter. The second instalment of US\$2 million (the second instalment) was initially due on or before 20 April 2012. This date was extended until 15 March 2013, following a number of addenda to the settlement agreement being concluded and Main agreeing to pay extension payments in return. The second instalment, however, was not paid by 15 March 2013 and a new trial date was secured.
6. On 23 April 2013, Main and the Claimants signed a Consent Order, in terms of which Main agreed to make payment to the Claimants of the second instalment, together with further extension payments on or before 15 July 2013.
7. On 30 May 2013, R&E published a SENS announcement, updating its shareholders on the settlement agreement with Main, the last two paragraphs of which read as follows:

"Shareholders are hereby advised that the Claimants have received full payment of the balance of all amounts owing by Mr Main under the consent order and schedule thereto ("the consent order") read with the settlement agreement concluded with him on 23 March 2012 (as amended from time to time) ("the settlement agreement").

Such payments have the effect of finally settling all claims which the Claimants contend they had against Mr Main as at 23 April 2013, arising out of or connected with the English proceedings in the High Court of Justice and the South African proceedings in the Western Cape High Court (without compromising any similar claims which the Claimants have against third parties), Mr Main now having discharged all of his obligations arising from the consent order and settlement agreement."

Action against, inter alia, certain former directors/employees of R&E:

8. In 2008, R&E, ASI and First Wesgold Mining (Pty) Limited (First Wesgold) issued summons out of the South Gauteng High Court (which comprises 16 claims), against the defendants cited in that action which include Mr Hendrik Christoffel Buitendag (Buitendag) (a former financial director of R&E and JCI), Mr John Stratton (Stratton) (a former director of JCI), Mr Charles Henry Delacour Cornwall (Cornwall) (a former director of JCI), Mr Lieben Hendrik Swanevelder (Swanevelder) (the former group accountant of JCI), Mr Lunga Raymond Ncwana (Ncwana) (a former director of R&E and a director of Equitant Trading (Pty) Ltd – Equitant) and Mr John Chris Lamprecht (Lamprecht) (a former financial director of R&E and JCI).
9. Buitendag passed away in July 2011 and his executors have been substituted in the action instituted against him.
10. Prior to his death, Buitendag sought to join as third parties to the action, Stratton, Cornwall, Swanevelder, Ncwana, Songezo Benton Mjongile, Equitant, Demitrios Perrivos, Lamprecht, JCI, Mr Roger Ainsley Ralph Kebble (Roger), Consolidated Mining Management Services Limited (CMMS), Mr George William Poole (Poole), Ms Patricia Beatrice Beale (Beale) and Phikoloso Mining (Pty) Ltd and sought, to the extent that he was found liable, a contribution from those parties.
11. The matter is defended.

Action against Bookmark Holdings (Pty) Ltd (Bookmark), Sello Rasathaba (Rasathaba) and Lamprecht:

12. On 11 August 2008, R&E and ASI, as the First and Second Plaintiffs respectively, instituted an action out of the South Gauteng High Court, Johannesburg, against Bookmark, Rasathaba and Lamprecht as the First, Second and Third Defendants respectively, claiming damages relating to certain RRL shares.
13. The action is defended.

Action against Charles Orbach and Company (Charles Orbach):

14. R&E instituted an action against Charles Orbach out of the South Gauteng High Court under case number 2008/25469, seeking damages against its former statutory auditor, arising from an alleged failure on their part to adequately probe the provisional results of R&E for the year ended 31 December 2004.
15. The action is defended.

Action against Buitendag, Lamprecht and Stratton:

16. In 2008, R&E proceeded with a claim against Buitendag, Lamprecht and Stratton in relation to a scrip account ostensibly conducted by R&E at Tlotlisa Securities (Pty) Ltd (T-Sec).
17. Such action is defended by each of the defendants.
18. Buitendag similarly took steps to join as third parties to this action, Stratton, Lamprecht, the trustees of the insolvent deceased estate of Roger Brett Kebble (RB Kebble), JCI, CMMS, T-Sec, Peter Gray, Roger and Cornwall, and seeks a contribution from these persons, to the extent that his estate is found liable to R&E.

Action against Beale:

19. On 30 October 2008, R&E and ASI as First and Second Plaintiffs respectively, issued summons out of the South Gauteng High Court, Johannesburg against Beale, claiming damages from her.
20. The claim, which comprises seven claims and a number of alternatives thereto, is defended.

Action against the estate of RB Kebble:

21. Following R&E having proved various claims in the insolvent deceased estate of RB Kebble (totalling in excess of R2.7 billion), in March 2009, R&E and First Wesgold, as First and Second Plaintiffs respectively, issued summons against the estate of RB Kebble out of the Western Cape High Court, Cape Town, claiming damages from him in respect of additional claims.
22. Following the service of summons, no further steps have been taken in the matter.

Application by certain minority shareholders of R&E against R&E and Investec Bank Limited (Investec):

23. Shareholders are referred to the Legal Report contained in R&E's Annual Report of 2012 in respect of the history and background of this application.
24. The parties continue to remain engaged in a number of interlocutory applications concerning, amongst others, the locus standi of the minority shareholders, discovery of certain documents and the introduction of new matter.
25. In August 2012, the Applicants brought an application to have separated out as an issue in the application, the locus standi of the seven main Applicants.
26. On 11 December 2012 and 7 March 2013 respectively, Standard Bank Nominees (Transvaal) (Pty) Limited, Shap-Aaron Nominees (Pty) Limited and BNS Nominees (Pty) Limited applied for leave to intervene in and to be joined in the main application (the nominee applications) as the registered members of the seven main Applicants. Following this, a further 40 intervening applicants applied to intervene in and to be joined in the main application (the intervention applications). Randgold has not opposed these applications. These applications are, however, being opposed by Investec.
27. Following a dispute between the Applicants and Investec towards the end of last year regarding whether the nominee applications could be enrolled for hearing separately from the intervention applications, the Deputy Judge President of the North Gauteng High Court, Pretoria, appointed Judge Rabie in January 2014, to case manage the application. A meeting was held with Judge Rabie at the end of January 2014.

28. Pursuant to such meeting, the parties concluded an agreement detailing the issues to be determined by way of a separated hearing, which includes inter alia, the locus standi of the seven main Applicants as well as the entitlement of the nominee applicants and the 40 intervening applicants to join the proceedings.
29. The separated issues are set down for hearing in the week commencing 2 June 2014.

Application for leave to institute a class action against R&E and various other Respondents, arising from the alleged contracting of silicosis by certain mineworkers who allegedly worked at mines claimed to have been controlled or owned by R&E, during the period 1993 to 1996:

30. As appears from the Legal Report included in R&E's annual report of 2012, in December 2012, an application by various current and former mineworkers who allegedly worked on gold mines in South Africa who claim to have contracted silicosis, as well as the dependants of mineworkers who are alleged to have died as a result of silicosis contracted on the gold mines on which they worked was brought against R&E, it having been cited as the twenty-ninth Respondent (the Nkala application).
31. Quite independently of the Nkala application, four further applications claiming similar relief to the Nkala application were brought in the South Gauteng High Court, Johannesburg, in 2012 and 2013 (the further certification applications). The Applicants in the Nkala application approached the High Court in August 2013 to consolidate the Nkala application with the further certification applications. With the consent of all parties the applications were consolidated in October 2013 (the consolidated application).
32. The consolidated application has the effect of expanding the scope and nature of the Nkala application. In terms of the consolidated application, an initial order is requested declaring the existence of two classes for the purpose of the class action being pursued; the first, in respect of current and former mineworkers of the various Respondents who have contracted silicosis, and the dependants of mineworkers who died of silicosis (whether or not accompanied by any other disease – the silicosis class), the second, in respect of current and former mineworkers of the various Respondents who have or had contracted pulmonary tuberculosis, and the dependants of deceased mineworkers who died of pulmonary tuberculosis (but excluding silico-tuberculosis), where such mineworkers worked or have worked for at least two years on one or more of the gold mines listed in the application papers (the tuberculosis class).
33. The Applicants to the consolidated application are also requesting an order that their legal representatives be granted permission to act as the representatives of the members of the classes in conducting the class action against the Respondents and that they be authorised to represent the members of the two classes in proceeding with a class action against the Respondents based on a claim for damages allegedly sustained as a result of them contracting silicosis (whether or not accompanied by any other disease) or pulmonary tuberculosis. An order is also requested that the Respondents (including R&E) and any other party opposing the application be jointly and severally liable for the payment of the costs of the application and for half of the Applicants' costs of notifying any future Applicants who may wish to join the proceedings by way of radio and other media announcements.
34. At the end of November 2013 a case management meeting with the Deputy Judge President of the South Gauteng High Court was held which resulted in the Respondents (including R&E) being ordered to file their answering affidavits to the consolidated application by 31 May 2014 and the Applicants being ordered to file their replying affidavit to the Respondents' answering affidavits by 31 August 2014.
35. R&E is opposing the consolidated application, and in due course an answering affidavit will be delivered. An action for damages is intended to be instituted against the Respondents should the consolidated application succeed.

General:

36. Save as otherwise disclosed in the Circular, there are no other legal or arbitration proceedings of which the R&E board is aware which are pending or threatened in relation to it and its subsidiaries, which may have or have had a material effect on the R&E Group's financial position.
37. The Board of R&E continues to assess the matters in which it and the R&E Group are engaged, mindful of, inter alia, the commercial and other practicalities associated therewith

8. OPINIONS AND RECOMMENDATIONS AND RATIONALE FOR THE SETTLEMENT

The R&E Board is of the view that the claim against PWC is robust and good progress has been made in preparing for the Arbitration. The Company issued sixteen claims against PWC, amounting to billions of Rands.

The PWC matter is however complex and it is estimated that the Arbitration could endure for a lengthy period of time. Extensive and technical evidence will need to be led in establishing PWC's alleged audit breaches and the resultant losses to R&E. Litigation is by its very nature uncertain and the Board cannot therefore guarantee a successful outcome in the matter.

Furthermore, the pursuit of the Arbitration requires the commitment of major resources and large legal and forensic expenses. The total legal and forensic expenditure for R&E's matters for the 2013 financial year amounted to more than 10% of the Group's NAV. The total legal costs incurred to date relating to the PWC matter amounts to R34 million.

The likelihood of a substantial arbitration award should therefore be weighed against the time it will take to attain an award, the possibility of appeals and the legal and related costs to sustain the process.

The PWC offer of R 150 million (R2.10/share) represents 80% of the Group's NAV and 99% of its weighted average share price (as quoted on the JSE), which makes the offer significant.

The Board has consistently approached the Company's recovery process on a commercial basis and has concluded that the Settlement offer of R150 million by PWC is economically attractive and should be proposed to shareholders.

9. GENERAL MEETING OF SHAREHOLDERS

The General Meeting of R&E Shareholders will be held at 12:00 on Friday, 30 May 2014, at MW Business Centre, Michelangelo Hotel, Mandela Square, Sandton, Johannesburg, at which meeting the resolutions set out in the notice to this Circular will be proposed for consideration, and, if deemed fit, approved, with or without modification.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of R&E, whose names are given on page 6 of this Circular, collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statements false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at any time during normal business hours from Wednesday, 30 April 2014, until the close of the General Meeting of the Company to be held at 12:00 on Friday, 30 May 2014, at the registered office of the Company and at PSG Capital's Johannesburg offices at the address indicated in the "Corporate Information" section of this Circular:

- 11.1. the Memorandum of Incorporation of the Company;
- 11.2. the Settlement Agreement;
- 11.3. the Pleadings;
- 11.4. the audited annual financial statements of the Company for the last three years; and
- 11.5. the Circular signed on behalf of the Directors.

SIGNED AT JOHANNESBURG ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY ON 17 APRIL 2014.

**COMPANY SECRETARY
RANDGOLD & EXPLORATION COMPANY LIMITED**

PRO FORMA FINANCIAL INFORMATION RELATING TO THE SETTLEMENT AMOUNT

The *pro forma* statement of financial position as at 31 December 2013 and statement of profit or loss and other comprehensive income of R&E for the period then ended are set out below. The *pro forma* statement of financial position and statement of profit or loss and other comprehensive income have been prepared for illustrative purposes only to provide information on how the receipt of the Settlement Amount might have impacted on the financial position and results of the Group. Because of their nature, the *pro forma* statement of financial position and statement of profit or loss and other comprehensive income may not be a fair reflection of the Group's financial position after the receipt of the Settlement Amount, nor of its future earnings. The *pro forma* financial information is presented in a manner that is consistent with the accounting policies of R&E.

The *pro forma* statement of financial position and statement of profit or loss and other comprehensive income as set out below should be read in conjunction with the report of the Independent Reporting Accountants which is included as **Annexure 2** to this Circular.

The Directors of R&E are responsible for the preparation of the *pro forma* statement of financial position and statement of profit or loss and other comprehensive income.

PRO FORMA STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF R&E

The *pro forma* statement of profit or loss and other comprehensive income of R&E for the period ended 31 December 2013 has been prepared on the assumption that the Settlement Amount was received on 1 January 2013.

RANDGOLD & EXPLORATION COMPANY LIMITED

UNAUDITED PRO FORMA STATEMENT OF COMPREHENSIVE INCOME

		31-Dec-13 Audited results prior to the receipt of the Settlement Amount R'000	01-Jan-13 R'000	31-Dec-13 <i>Pro forma</i> post the receipt of the Settlement Amount R'000
	Notes			
Revenue		75	–	75
Profit on disposal of investments		135	–	135
Recoveries	3	22 136	150 000	172 136
Other income		3 382	–	3 382
Personnel expenses		(6 429)	–	(6 429)
Profit on disposal of prospecting rights		1 076	–	1 076
Change in fair value of held-for-trading investments		(127)	–	(127)
Other operating expenses	5	(24 706)	(245)	(24 951)
Results from operating activities		(4 458)	149 755	145 297
Finance income	4	11 419	7 488	18 907
Profit before taxation		6 961	157 243	164 204
Taxation		–	–	–
Profit for the period		6 961	157 243	164 204
Other comprehensive income				
Actuarial gains/(losses)		4 073	–	4 073
Total comprehensive income		11 034	157 243	168 277
Profit or loss attributable to:				
Non-controlling interest		–	–	–
Owners of the company		6 961	157 243	164 204
Profit for the period		6 961	157 243	164 204
Total comprehensive income attributable to:				
Non-controlling interest		–	–	–
Owners of the company		11 034	157 243	168 277
Total comprehensive income		11 034	157 243	168 277
EPS	2	9.7	219.7	229.4
Number of shares in issue		71 585 172	71 585 172	71 585 172

Notes and assumptions:

1. The information included in the "Audited results prior to the receipt of the Settlement Amount" column has been extracted from the audited consolidated financial results of R&E for the year ended 31 December 2013.
2. For purposes of calculating EPS and HEPS, it was assumed that the Settlement Amount was received on 1 January 2013.
3. The Settlement Amount is R150 million.
4. The proceeds received from the Settlement Amount, being R150 million, are assumed to be invested in a short term call account for the 12 month period earning interest at 5% per annum, being the interest rate currently achieved by the Company on cash reserves.
5. Transaction costs of R245 000 relating to the Settlement have been assumed.
6. All adjustments have a continuing effect on the financial results of the Company.

PRO FORMA STATEMENT OF FINANCIAL POSITION OF R&E

The *pro forma* statement of financial position of R&E as at 31 December 2013 has been prepared on the assumption that the Settlement Amount was received on 31 December 2013.

RANDGOLD & EXPLORATION COMPANY LIMITED**UNAUDITED PRO FORMA STATEMENT OF FINANCIAL POSITION**

	Notes	31-Dec-13 Audited results prior to the receipt of the Settlement Amount R'000	31-Dec-13 R'000	31-Dec-13 <i>Pro forma post the receipt of the Settlement Amount</i> R'000
Assets				
Non-current assets		124	–	124
Plant and equipment		75	–	75
Intangible assets		49	–	49
Current assets		204 360	149 755	354 115
Trade and other receivables		2 030	–	2 030
Investment in equity securities		1 170	–	1 170
Cash and cash equivalents	3,4	201 160	149 755	350 915
Total assets		204 484	149 755	354 239
Equity and liabilities				
Shareholders' equity		186 912	149 755	336 667
Issued capital		746	–	746
Retained earnings/(Accumulated loss)		186 166	149 755	335 921
Liabilities				
Non-current liabilities				
Post-retirement medical benefit obligation		15 547	–	15 547
Current liabilities				
Trade and other payables		2 025	–	2 025
Total equity and liabilities		204 484	149 755	354 239
NAV - Based on IFRS figures (R'000)		186 912	149 755	336 667
Number of shares		71 585 172	71 585 172	71 585 172
NAV/Share (cents)	2	261.1	209.2	470.3
NTAV/share (cents)	2	261.0	209.2	470.2

Notes and assumptions:

1. The information included in the "Audited results prior to the receipt of the Settlement Amount" column has been extracted from the audited consolidated financial results of R&E for the year ended 31 December 2013.
2. For the purposes of NAV per Share and TNAV per Share, it was assumed that the Settlement Amount was received on 31 December 2013.
3. The Settlement Amount is R150 million.
4. Transaction costs of R245 000 relating to the Settlement have been assumed.
5. All adjustments have a continuing effect on the financial results of the Company.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION OF R&E

The Directors

Randgold and Exploration Company Limited
Third Floor, Sandton City Office Towers
158 Fifth Street, Sandhurst
Sandton, 2196

Dear Directors,

INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT ON THE UNAUDITED *PRO FORMA* FINANCIAL EFFECTS, STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

Introduction

We have performed our limited assurance engagement with regard to the unaudited *pro forma* financial effects on the statement of comprehensive income and statement of financial position (collectively "the *pro forma* financial information") of Randgold & Exploration Company Limited set out in Annexure 1 of the circular to be dated on or about 29 April 2014 issued in connection with settlement transaction between Randgold & Exploration Company Limited and PwC.

The *pro forma* financial information has been prepared for purposes of complying with the requirements of the JSE Limited ("JSE"), for illustrative purposes only, to provide information about how the settlement transaction might have affected the reported financial information had the transaction been undertaken on 1 January 2013 for the statement of comprehensive income purposes and on 31 December 2013 for the statement of financial position purposes.

Because of its nature, the *pro forma* financial information may not present a fair reflection of the financial position, changes in equity, results of operations or cash flows of Randgold & Exploration Company Limited, after the transaction.

Directors' responsibility

The directors of Randgold & Exploration Company Limited are solely responsible for the compilation, contents and presentation of the *pro forma* financial information contained in the circular and for the financial information from which it has been prepared.

Their responsibility includes determining that the *pro forma* financial information contained in the circular has been properly compiled on the basis stated, the basis is consistent with the accounting policies of Randgold & Exploration Company Limited and the *pro forma* adjustments are appropriate for the purposes of the *pro forma* financial information as disclosed in terms of the JSE Listings Requirements.

Reporting accountants' responsibility

Our responsibility is to express a limited assurance conclusion on the *pro forma* financial information included in the circular. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ISAE 3000 and the *Guide on Pro Forma Financial Information* issued by the South African Institute of Chartered Accountants.

This standard requires us to comply with ethical requirements and to plan and perform the assurance engagement to obtain sufficient appropriate audit evidence to support our limited assurance conclusion, expressed below.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the *pro forma* financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

SOURCES OF INFORMATION AND WORK PERFORMED

Our procedures consisted primarily of comparing the unadjusted audited historical financial information of Randgold & Exploration Company Limited with the source documents, considering the *pro forma* adjustments in light of the accounting policies of Randgold & Exploration Company Limited, considering the evidence supporting the *pro forma* adjustments, recalculating the amounts based on the information obtained and discussing the *pro forma* financial information with the directors of Randgold & Exploration Company Limited.

In arriving at our conclusion, we have relied upon financial information prepared by the directors of Randgold & Exploration Company Limited and other information from various public, financial and industry sources.

Whilst our work performed involved an analysis of the historical audited financial information and other information provided to us, our limited assurance engagement does not constitute either an audit or review of any of the underlying financial information undertaken in accordance with the International Standards on Auditing or the International Standards on Review Engagements and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe that our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

OPINION

Based on our examination of the evidence obtained, nothing has come to our attention that causes us to believe that in terms of Section 8.17 and 8.30 of the JSE Listings Requirements:

- the *pro forma* financial information has not been properly compiled on the basis stated,
- such basis is inconsistent with the accounting policies of Randgold & Exploration Company Limited and,
- the adjustments are not appropriate for the purposes of the *pro forma* financial information as disclosed pursuant to section 8.30 of the JSE Listings Requirements.

CONSENT

We consent to the inclusion of this letter and the reference to our opinion in the circular to be issued by Randgold & Exploration Company Limited in the form and context in which it appears.

Yours faithfully

KPMG Inc.

Per Henry du Plessis
Chartered Accountant (SA)
Registered Auditor
Director

29 April 2014

BROAD OVERVIEW OF CLAIMS AND DEFENCES RAISED IN THE PLEADINGS

1. Following upon the investigation of forensic investigators appointed by the newly constituted board of Randgold & Exploration Company Limited (“**R&E**”) in August 2005, it was determined that during the period approximately 1999 to 2006, a vast number of shares were misappropriated from R&E and one or more of its subsidiaries, and that a series of frauds were perpetrated on R&E resulting in it being induced to issue and allot shares from its authorised and unissued share capital, which shares were sold and applied to benefit parties other than R&E.
2. During the course of 1998, PricewaterhouseCoopers Incorporated (“**PWC**”), was appointed by R&E as its statutory auditor. This appointment required PWC amongst other things, to audit and report on whether R&E’s annual financial statements fairly presented, in all material respects, the financial position, the results of operations and cash flows of R&E and of R&E and its subsidiaries as a consolidated group (“**the R&E group**”), in accordance with amongst others South African Statements of Generally Accepted Accounting Practice, in the manner required by the Companies Act 61 of 1973.
3. Following thereon, PWC was thereafter from time to time re-appointed as the auditor of R&E for each of R&E’s ensuing financial years, which included the financial years ended 31 December 2000, 31 December 2001, 31 December 2002 and 31 December 2003.
4. The findings by the forensic auditors determined that by the end of the financial year ended 31 December 2000, 2 million Durban Roodepoort Deep Limited (“**DRD**”) shares owned by the R&E group, had been stolen and the proceeds derived from the sale of those shares were applied for purposes other than to benefit the R&E group.
5. It is R&E’s case that PWC was negligent in the performance of its obligations as the auditor of R&E in respect of the financial year ended 31 December 2000 alternatively 31 December 2001, further alternatively 31 December 2000 and 31 December 2001 and that in consequence thereof, it failed to detect this theft. In further consequence of PWC’s negligence, further shares of the R&E group were stolen in the ensuing years until the end of January 2006 and R&E became the victim of a number of frauds.
6. R&E consequently seeks monetary compensation from PWC, for the loss which was occasioned to it as a result of the thefts which took place during the period 1 January 2002 to the end of January 2006. Such loss represents the value of the said shares as at the date of their theft, the amount by which such shares thereafter increased in value and the dividend income which the R&E group would have received thereon. (The loss is a direct one where the shares were owned by R&E and an indirect one where the shares were owned by one of R&E’s subsidiaries. In the latter event R&E’s loss would relate to the erosion of the value of its interest in the subsidiary in question.) Interest is also claimed.
7. In regard to the frauds in question, R&E seeks compensation, being the amount it will require to purchase the equivalent number of its shares which formed the subject matter of the frauds which had over the years been irregularly issued, so that they might be cancelled and removed from issue, thus restoring the equilibrium between shareholders as it had existed but for the perpetration of the frauds in question.
8. In the alternative to what appears in 6, R&E contends that if it is found that PWC was not negligent in the performance of its audit for the financial year(s) ended 31 December 2000 and/or 31 December 2001, PWC was negligent in the performance of its audit for the financial year ended 31 December 2002. In this regard it is contended that it again failed to detect, amongst others, the theft of the 2 million DRD shares rendering it liable for the losses stemming from the thefts and frauds which were perpetrated in the following years until the end of January 2006.
9. There is a further alternative, namely, that arising from PWC’s audit for the financial year ended 31 December 2003. It is contended by R&E that in the absence of PWC being found liable for the preceding financial years, its audit of this financial year was negligently conducted. Based on the premise to which reference has been made, PWC would, so R&E contends, at the very least fall to be mulcted in damages in respect of the thefts and frauds committed during the period 1 January 2004 to the end of January 2006.

10. The thefts and fraudulent conduct which forms the basis of R&E's claim against PWC may be summarised as follows:
- 10.1. the loss of 2 000 000 shares in the issued share capital of DRD, which shares were allegedly stolen by R&E's financial year ended 31 December 2000;
 - 10.2. the loss of 3 000 000 DRD shares, which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2002;
 - 10.3. the loss of 952 481 shares in the issued share capital of Randgold Resources Limited (a Jersey based company whose shares are listed on both the London Stock Exchange and the NASDAQ National Market) ("**RRL**"), which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2002;
 - 10.4. the loss of 8 100 000 shares in the issued share capital of The Afrikaander Lease Limited ("**Aflease**"), which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2003;
 - 10.5. the fictitious creation of 8 800 000 shares in the authorised but unissued share capital of R&E, which shares on the false assumption that they had been validly issued, listed and allocated by R&E, were sold and the proceeds derived therefrom applied for purposes other than to benefit R&E, such having occurred in the financial year ended 31 December 2003;
 - 10.6. the loss of 12 574 838 shares in the issued share capital of JCI Limited ("**JCI**"), which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2003;
 - 10.7. the loss of 28 000 shares in the issued share capital of Western Areas Limited ("**Western Areas**"), which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2003;
 - 10.8. the loss of 1 800 000 RRL shares, which shares were allegedly stolen during the course of R&E 's financial year ended 31 December 2003;
 - 10.9. the loss of 900 000 RRL shares, which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2003;
 - 10.10. the loss of 4 000 000 RRL shares, which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2003;
 - 10.11. the loss of 6 810 000 RRL shares, which shares were stolen during the course of R&E's financial year ended 31 December 2004;
 - 10.12. the loss of 94 000 000 Aflease shares, which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2004;
 - 10.13. the loss of 40 000 000 shares in the issued share capital of Simmer & Jack Mines Limited ("**Simmer & Jack**"), which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2004;
 - 10.14. the loss of 5 460 000 RRL shares, which shares were allegedly stolen during the course of R&E's financial year ended 31 December 2004;
 - 10.15. the fictitious creation of 6 466 000 shares in the authorised but unissued share capital of R&E, which shares on the false assumption that they had been validly issued, listed and allocated by R&E, were sold and the proceeds derived therefrom applied for purposes other than to benefit R&E, thus having occurred in the financial year ended 31 December 2004;
 - 10.16. the loss of 3 750 000 RRL shares, which shares were allegedly stolen during the course of R&E 's financial year ended 31 December 2005.

11. The below table sets out a summary of the damages claimed by R&E as set out in its amended particulars of claim.

	MAIN CLAIM	FIRST ALTERNATIVE CLAIM	SECOND ALTERNATIVE CLAIM
	DAMAGES ARISING FROM THE BREACHES IN RESPECT OF PWC'S AUDIT OF R&E FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2000, ALTERNATIVELY 31 DECEMBER 2001, FURTHER ALTERNATIVELY 31 DECEMBER 2000 AND 31 DECEMBER 2001	DAMAGES ARISING FROM THE BREACHES IN RESPECT OF PWC'S AUDIT OF R&E FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2002	DAMAGES ARISING FROM THE BREACHES IN RESPECT OF PWC'S AUDIT OF R&E FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2003
	SHARE LOSSES SUSTAINED		
1	3 000 000 DRD SHARES		
	Lowest price of share in year of theft:	R47 430 000.00	
	Dividend income per particulars:	R450 000.00	
2	1 904 962 RRL SHARES		
	Lowest price of share in year of theft:	R35 718 037.50	
	Anticipated growth in the share price:	R1 363 895 643.14	
	Dividend income per particulars:	R7 949 772.75	
3	8 100 000 AFLEASE SHARES (CONVERTED TO 1 458 000 SHARES IN URANIUM ONE LIMITED)		
	Lowest price of share in year of theft:	R17 415 000.00	R17 415 000.00
	Anticipated growth in the share price:	R10 141 200.00	R10 141 200.00
4	5 800 000 R&E SHARES		
	Replacement cost as at 30 June 2010:	R32 190 000.00	R32 190 000.00
5	12 574 836 JCI SHARES		
	Lowest price of share in year of theft:	R6 538 914.72	R6 538 914.72
6	28 000 WESTERN AREAS SHARES (CONVERTED TO 9 800 SHARES IN GOLD FIELDS LIMITED)		
	Lowest price of share in year of theft:	R689 640.00	R689 640.00
	Anticipated growth in the share price:	R327 600.00	R327 600.00
	Dividend income per particulars:	R51 940.00	R51 940.00
7	1 800 000 RRL SHARES		
	Lowest price of share in year of theft:	R72 306 000.00	R72 306 000.00
	Anticipated growth in the share price:	R1 250 190 000.00	R1 250 190 000.00
	Dividend income per particulars:	R7 511 746.14	R7 511 746.14

8	900 000 RRL SHARES			
	Lowest price of share in year of theft:	R36 153 000.00	R36 153 000.00	
	Anticipated growth in the share price:	R625 095 000.00	R625 095 000.00	
	Dividend income per particulars:	R3 755 873.07	R3 755 873.07	
9	4 000 000 RRL SHARES			
	Lowest price of share in year of theft:	R195 080 000.00	R195 080 000.00	R195 080 000.00
	Anticipated growth in the share price:	R2 743 800 000.00	R2 743 800 000.00	R2 743 800 000.00
	Dividend income per particulars:	R16 692 769.20	R16 692 769.20	R16 692 769.20
10	6 810 000 RRL SHARES			
	Lowest price of share in year of theft:	R332 123 700.00	R332 123 700.00	R332 123 700.00
	Anticipated growth in the share price:	R4 671 319 500.00	R4 671 319 500.00	R4 671 319 500.00
	Dividend income per particulars:	R28 419 439.56	R28 419 439.56	R28 419 439.56
11	94 000 000 AFLEASE SHARES (CONVERTED TO 16 920 000 SHARES IN URANIUM ONE LIMITED)			
	Lowest price of share in year of theft:	R84 600 000.00	R84 600 000.00	R84 600 000.00
	Anticipated growth in the share price:	R235 188 000.00	R235 188 000.00	R235 188 000.00
12	40 000 000 SIMMER & JACK SHARES			
	Lowest price of share in year of theft:	R103 600 000.00	R103 600 000.00	R103 600 000.00
13	5 460 000 RRL SHARES			
	Lowest price of share in year of theft:	R266 284 200.00	R266 284 200.00	R266 284 200.00
	Anticipated growth in the share price:	R3 745 287 000.00	R3 745 287 000.00	R3 745 287 000.00
	Dividend income per particulars:	R22 785 629.96	R22 785 629.96	R22 785 629.96
14	6 466 000 R&E SHARES			
	Replacement cost as at 30 June 2010:	R35 886 300.00	R35 886 300.00	R35 886 300.00
15	1 492 000 R&E SHARES			
	Replacement cost as at 30 June 2010:	R8 280 600.00	R8 280 600.00	R8 280 600.00
16	3 750 000 RRL SHARES			
	Lowest price of share in year of theft:	R228 525 000.00	R228 525 000.00	R228 525 000.00
	Anticipated growth in the share price:	R2 526 675 000.00	R2 526 675 000.00	R2 526 675 000.00
	Dividend income per particulars:	R15 649 471.13	R15 649 471.13	R15 649 471.13
	TOTAL	R18 778 005 977.17	R17 322 562 523.78	R15 260 196 609.85

Notes:

- The figures illustrated above are as they appear in the amended particulars of claim of R&E which were delivered in August 2010.
- In the event of any of the claims being upheld, interest at the legal rate of interest being 15.5% per annum may well be awarded on such successful claim(s).
- In the event of the matter proceeding to arbitration the damages sought may need to be adjusted to take account of inter alia further dividends and share price fluctuations.
- R&E's main claim assumes that R&E is able to establish that PWC failed to detect the theft of 2 000 000 DRD shares in respect of PWC's audit of R&E for the financial years ending 31 December 2000, alternatively 31 December 2001, further alternatively 31 December 2000 and 31 December 2001.
- R&E's first alternative claim assumes that R&E is able to establish that PWC failed to detect the alleged theft of 5 000 000 DRD shares in respect of PWC's audit of R&E for the financial year ending 31 December 2002.
- R&E's second alternative claim assumes that R&E is able to establish that PWC failed to detect the alleged theft of 3 000 000 DRD shares and 1 904 962 RRL shares in respect of PWC's audit of R&E for the financial year ending 31 December 2003.

12. PWC in its plea disputes that it was negligent. It has also placed causation and the quantification of the claim in issue.
13. It contends further that the obligations which it incurred in consequence of its appointments were statutory in nature and not contractual, placing reliance on the provisions of the Apportionment of Damages Act 34 of 1956, which it in fact did by way of the first of its two alternative defences. In this regard, PWC contends that if negligence is established and such negligence caused the R&E group loss, the amount of such loss falls to be reduced by R&E's contributory negligence. PWC in this regard contends that some of the directors of R&E furnished it with false information in respect of the audits, withheld material facts from it, secreted the thefts and frauds through the creation of false documentation and generally rendered themselves guilty of false statements. R&E contends that even if such conduct is established, none of it falls to be attributed to R&E. R&E contends that its engagement of PWC was contractual in nature and that as such, and as a matter of law, questions of apportionment do not arise.
14. PWC has also raised a second alternative defence. It contends that R&E owed reciprocal obligations to PWC, such as to produce accounts which were authentic and not fundamentally flawed and which accurately reflected the financial affairs of the R&E group. It is the position of R&E that on a proper construction of the audit engagements, the question of reciprocal obligations between R&E and PWC also does not arise.
15. R&E's claim against PWC was instituted in the South Gauteng High Court, Johannesburg under case number 3854/2008 in March 2008.
16. On 26 July 2013, the parties agreed to refer the matter to arbitration and the disputes which arise from the pleadings have been referred by R&E and PWC to retired Supreme Court of Appeal Judge, F R Malan, to determine. On 3 March 2014, PWC delivered an application to have separated and heard in advance of all other issues in the matter, certain discrete issues identified by PWC. R&E has answered such application, which is opposed, and PWC has replied thereto. The hearing of the application has been postponed and is dependent upon the outcome of the settlement agreement concluded between R&E and PWC. Judge Malan at a prior hearing provisionally set 1 August 2015 as the date for the commencement of the arbitration, albeit that this date may require reconsideration dependent on the outcome of the application for separation and any interim hearing which may follow thereon.

COUNSEL'S OPINION

With effect from approximately mid-2012, we have been engaged predominantly on a full-time basis in preparing the matter for trial. We have in so doing been assisted by Mr Andrew Legg, our instructing attorney, members of his staff and Ms Gillian McKnight, a forensic accountant who R&E has engaged in the matter. We have also from time to time been assisted by Professor H E Wainer, a chartered accountant who has agreed to act as R&E's expert witness in the matter.

Several witnesses have been interviewed and preparation for the arbitration has been substantially advanced.

By virtue of the extensive work which we have carried out in conjunction with the other persons to whom reference has been made, we have developed an in-depth knowledge of the matter and of the evidential and other challenges which may arise in the presentation of the case and the defences which PWC has raised in resistance thereof. We are of firm persuasion that R&E enjoys a strong prospect of success in the matter. On this score, the description by R&E's Board of Directors of the claim as being "*robust*" (in the sense of being strong and healthy) is considered appropriate.

The foregoing is of course always subject to the reliability of the witnesses R&E intends calling, the ability to procure and lead all necessary witnesses in the fullness of time, the vagaries inherent in litigation and the ultimate acceptance by the Arbitrator of the expert, forensic and other evidence which R&E intends adducing in the matter.

G Farber SC
N Konstantinides

Sandton
21 April 2014

NOTICE OF GENERAL MEETING OF R&E SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a general meeting of the Company's shareholders will be held at 12:00 on Friday, 30 May 2014, at MW Business Centre, Michelangelo Hotel, Mandela Square, Sandton, Johannesburg.

Purpose

The purpose of the General Meeting is to consider and, if deemed fit, to approve, with or without modification, the resolutions set out in this Notice of General Meeting.

Note:

- *The definitions and interpretation commencing on page 3 of the Circular to which this Notice of General Meeting is attached, apply mutatis mutandis to this notice and to the resolutions set out below.*
- *For an ordinary resolution to be approved by Shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution.*
- *The date on which Shareholders must have been recorded as such in the Register for purposes of being entitled to receive this notice is Thursday, 17 April 2014.*

ORDINARY RESOLUTION NUMBER 1

"RESOLVED THAT the entering into and implementation of the Settlement Agreement between R&E and PWC, the salient terms of which have been set out in the Circular, be and is hereby approved."

Reason for of Ordinary Resolution Number 1

The reason for Ordinary Resolution Number 1 is to obtain the approval of the Shareholders of the Company to authorise the Company to conclude and implement the Settlement Agreement in accordance with its terms.

ORDINARY RESOLUTION NUMBER 2

"RESOLVED THAT the Directors of the Company be and are hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the resolutions set out in the notice convening the General Meeting which have been duly passed."

VOTING AND PROXIES

On a show of hands, every Shareholder of the Company who (being an individual) is present in person or by proxy at the General Meeting or which (being a company or body corporate) is represented thereat by a representative, shall have one vote, and on a poll, every Shareholder of the Company present in person (whether an individual or a company or other body corporate) or represented by proxy at the General Meeting, shall have one vote for each Ordinary Share of which he is the registered holder.

A Shareholder entitled to attend and vote at the General Meeting may appoint one or more persons as his proxy to attend, speak and subject to the Memorandum of Incorporation of R&E, vote in his stead. A proxy need not also be a Shareholder of the Company.

Holders of Certificated Shares, and holders of Dematerialised Shares who have elected Own-Name registration in the sub-register through a CSDP, who are unable to attend the General Meeting, but wish to be represented thereat must complete and return the attached form of proxy in accordance with the instructions contained therein so as to be received by the Transfer Secretaries by no later than 12:00 on Wednesday, 28 May 2014.

Holders of Dematerialised Shares must instruct their CSDP or broker to vote by proxy on their behalf in terms of the agreement entered into between the Shareholder and their CSDP or broker. Such Shareholders who wish to attend the General Meeting must request their CSDP or broker to provide them with the necessary letter of representation to attend and vote their Shares.

By order of the Board

Company Secretary

17 April 2014

REGISTERED OFFICE

Third Floor, Sandton City Office Towers 158
Fifth Street, Sandhurst
Sandton, 2196

Postal address

Suite 7, Andmar Building, Ryneveld Street
Stellenbosch, 7600

TRANSFER SECRETARIES

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



RANDGOLD & EXPLORATION COMPANY LIMITED

RANDGOLD & EXPLORATION COMPANY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1992/005642/06)

Share code: RNG ISIN: ZAE00008819

("R&E" or "the Company" or "the Group")

FORM OF PROXY

FOR HOLDERS OF CERTIFICATED SHARES AND HOLDERS OF DEMATERIALIZED SHARES WHO HAVE ELECTED "OWN-NAME" REGISTRATION

who wish to vote on the ordinary resolutions as set out in the notice of General Meeting, to which this form is attached, at the General Meeting to be held at MW Business Centre, Michelangelo Hotel, Mandela Square, Sandton, Johannesburg at 12:00 on Friday, 30 May 2014.

I/We (Full name in print) _____

of (address) _____

Telephone: (Work) area code () Telephone: (Home) area code ()

being the holder of Shares in the Company, hereby appoint (see note 1):

1. _____ or failing him/her

2. _____ or failing him/her

3. the Chairman of the General Meeting,

as my/our proxy to attend, speak and vote on my/our behalf at the General Meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions to be proposed thereat and at any adjournment thereof and to vote for or against the resolutions or to abstain from voting in respect of the Ordinary Shares in the issued share capital of the Company registered in my/our name/s, in accordance with the following instruction (see note 2):

	For	Against	Abstain
Ordinary Resolution Number 1			
Authority to enter into and implement the Settlement Agreement			
Ordinary Resolution Number 2			
Authority granted to Directors to implement the resolutions			

Please indicate with an "X" or the relevant number of votes in the relevant spaces above according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of shares held in respect of which you desire to vote (see note 2).

Signed at _____ on _____ 2014

Signature _____

Authority of signatory to be attached (See notes 5 and 6)

Assisted by (where applicable) _____

Only shareholders holding share certificates or holders of dematerialised shares with own-name registration who are entitled to attend and vote at the general meeting and at any adjournment thereof may appoint one or more proxies to attend, speak and vote in place of such shareholder. A proxy so appointed need not be a shareholder of the company.

Please read the notes on the reverse side hereof.

Notes:

1. The date on which Shareholders must have been recorded as such in the share register maintained by the Transfer Secretaries of the Company for purposes of being entitled to receive this notice is Thursday, 17 April 2014.
2. The date on which Shareholders must be recorded in the share register of the Company for purposes of being entitled to attend and vote at this meeting is Friday, 23 May 2014, with the last day to trade being Friday, 16 May 2014.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the meeting and must accordingly bring a copy of their identity documents, drivers' license or passport to the meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.
4. A holder of certificated shares or holders of dematerialised shares who have elected "own-name registration" in the sub-register through a CSDP may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided, with or without deleting "the Chairman of the general meeting", but any such deletion must be signed in full by the shareholder concerned. 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. If no proxy is inserted in the spaces provided, the Chairman shall be deemed to be appointed as the proxy to vote in the manner indicated in the form and if no clear indication is made, to vote in favour of the proposed resolutions.
5. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of ordinary shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the general meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat provided that in the case of the Chairman, he shall be required to vote in favour of the resolutions. A shareholder or his proxy is not obliged to use all the votes exercisable by the shareholder or by his proxy, but the total of the votes cast and in respect whereof abstentions recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
6. The date must be filled in on this form of proxy when it is signed.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof. Where there are joint holders of shares, the vote of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the register of members, will be accepted.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the Chairman of the general meeting.
9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy unless it has previously been registered with the Company or the transfer secretaries.
10. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company by no later than one hour before the commencement of the general meeting at which the proxy is to be used.
11. Where shares are held jointly, all joint holders are required to sign this form of proxy.
12. Any alterations or corrections made to this form of proxy must be signed in full and not only initialled by the signatories.
13. A minor must be assisted by his parent or guardian unless the relevant documents establishing his legal capacity are produced or have been registered by the transfer secretaries of the Company.
14. The Chairman of the General Meeting may accept or reject any form of proxy, in his absolute discretion, which is completed other than in accordance with these notes.
15. If required, additional forms of proxy are available from the transfer secretaries of the Company.
16. Forms of proxy must be received by the transfer secretaries by no later than 12:00 on Wednesday, 28 May 2014.

