

# NOTICE OF ANNUAL GENERAL MEETING



(Incorporated in the Republic of South Africa)  
(Registration number 1926/008797/06)  
(Share code: AME) (ISIN: ZAE000055802)

Notice is hereby given that the fifteenth annual general meeting ("meeting") of shareholders of African Media Entertainment Limited ("AME" or "the company") will be held in the boardroom, Block B, Oxford Office Park, No 5, 8th Street, Houghton Estate, Johannesburg at 10:00 on Friday, 30 August 2013.

#### RECORD DATE, ATTENDANCE AND VOTING

The record date for determining which shareholders are entitled to notice of the meeting is Friday, 28 June 2013 and the record date for determining which shareholders are entitled to participate in and vote at the meeting is Friday, 23 August 2013. The last day to trade in order to be eligible to vote at the meeting is accordingly Friday, 16 August 2013.

#### ELECTRONIC ATTENDANCE AT THE MEETING

The company intends to make provision for the shareholders of the company or their proxies to participate in the meeting by way of electronic communication. Should you wish to participate in the meeting in this manner, you will need to contact the company at 011 442 0865 by 10:00 on Wednesday, 28 August 2013, alternatively, contact the transfer secretaries at 011 370 5122/7873 by 10:00 on Wednesday, 28 August 2013, so that the company can make the necessary arrangements for electronic communication. Should you be participating in the meeting by electronic communication, kindly ensure that the voting proxies are sent to the company or the transfer secretaries by 10:00 on Wednesday, 28 August 2013 at the addresses set out at the end of this notice of meeting.

#### PURPOSE OF MEETING

The purpose of this meeting is to present the Directors' report and the audited financial statements of the company and the group for the year ended 31 March 2013, and to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out below.

#### ORDINARY RESOLUTIONS

To consider, and, if deemed fit, approve the following ordinary resolutions with or without modification.

**Voting requirements:** In order to be adopted, all ordinary resolutions require the support of a majority of the votes cast by shareholders present or represented by proxy at this meeting. The quorum for the meeting is 25% of the issued share capital of the company.

#### 1. Ordinary resolution number 1: adoption of the annual financial statements

"Resolved that:  
the annual financial statements of the company and the group for the year ended 31 March 2013 be and are hereby adopted."

**Explanation:** The reason for and effect of the ordinary resolution number 1 is to receive and adopt the annual financial statements for the company and the group for the year ended 31 March 2013.

#### 2. Ordinary resolution number 2: to place the unissued shares of the company under the control of the directors

"Resolved that:  
all the unissued shares in the capital of the company be placed under the control of the directors in terms of article 6 of the Memorandum of Incorporation of AME, as a general authority in terms of the Companies Act, 2008 (Act 71 of 2008), as amended ("the Act"), who are hereby authorised to allot and issue shares in the capital of the company to those persons, upon such terms and conditions, as the directors in their sole discretion deem fit, until the next annual general meeting, subject to the provisions of the Act and the Listings Requirements of the Johannesburg Stock Exchange ("JSE")."

**Explanation:** In terms of article 6 of the Memorandum of Incorporation of AME and in terms of the general authority in the Act, the authority given at the annual general meeting needs to be renewed.

#### 3. Ordinary resolution number 3: re-election of directors

"Resolved that:

3.1 Mr MJ Prinsloo, who retires by rotation in terms of the Memorandum of Incorporation

of the company and who is eligible and available for re-election, be and is hereby re-elected as a director of the company.

- 3.2 Mr WTshuma, who retires by rotation in terms of the Memorandum of Incorporation of the company and who is eligible and available for re-election, be and is hereby re-elected as a director of the company."

**Explanation:** To re-elect Messrs MJ Prinsloo and W Tshuma, who are recommended by the board and whose appointment automatically terminates on the day of the annual general meeting in terms of article 31 of the Memorandum of Incorporation of the company. A brief biography of these directors appears on page 3.

**4. Ordinary resolution number 4: re-appointment of independent auditor**

"Resolved that:  
PKF (Jhb) Inc. be and is hereby re-appointed as independent auditor of the company from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the company."

**Explanation:** The reason for this ordinary resolution is that the company, being a listed public company, must appoint an independent auditor and have its annual financial statements audited.

**5. Ordinary resolution number 5: re-election of the audit and risk committee members and chairman**

"Resolved that:

- 5.1 Mr MJ Prinsloo be and is hereby re-elected as a member and chairman of the audit and risk committee until conclusion of the next annual general meeting.
- 5.2 Mr N Sooka be and is hereby re-elected as a member of the audit and risk committee until conclusion of the next annual general meeting.
- 5.3 Mr WTshuma be and is hereby re-elected as a member of the audit and risk committee until conclusion of the next annual general meeting."

**Explanation:** To re-elect Messrs MJ Prinsloo, N Sooka and WTshuma, who are recommended by the board and whose appointment automatically terminates on the day of the annual general meeting. The reason for this ordinary resolution is that at each annual general meeting, a public company must elect an audit and risk committee comprising at least three members.

Brief biographies of these directors appear on page 3.

The ordinary resolutions numbers 5.1, 5.2 and 5.3 will be considered separately.

**6. Ordinary resolution number 6: authority to sign documentation:**

"Resolved that:

any director of the company or the company secretary be and is hereby authorised to take all actions necessary and sign all documentation required to give effect to the ordinary and special resolutions which have been passed at the annual general meeting."

**SPECIAL RESOLUTIONS**

To consider and, if deemed fit, approve the following special resolutions with or without modification.

**Voting requirements:** In order to be adopted, all special resolutions require the support of 75% or more of the votes cast by shareholders present or represented by proxy at this meeting. The quorum for the meeting is 25% of the issued share capital of the company.

**1. Special resolution number 1: general authority for company and/or subsidiary to acquire the company's own shares**

"Resolved that:

the company and/or a subsidiary of the company be and is hereby authorised to repurchase or purchase, as the case may be, ordinary shares issued by the company on such terms and conditions and in such amounts as the directors of the company may decide, but subject always to the provisions of section 48 of the Act and the Listings Requirements of the JSE, which currently stipulate that:

- the repurchase of securities being effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- at any point in time the company may only appoint one agent to effect any repurchases on the company's behalf;
- the company or any of its subsidiaries may not repurchase securities during a prohibited period as defined in the Listings Requirements of the JSE;
- this general authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;

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(continued)

- a paid press announcement will be published as soon as the company has acquired ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue, at the time of passing of this special resolution, and any 3% (three percent) increments thereafter which announcements shall contain full details of such acquisitions;
- acquisitions of ordinary shares by the company in terms of this general authority in the aggregate in any one financial year may not exceed 20% (twenty percent) of the company's issued ordinary share capital nor may any subsidiary hold more than 10% (ten percent) of the company's issued share capital at any one time;
- in determining the price at which ordinary shares issued by the company are acquired in terms of this general authority, the maximum price at which such ordinary shares may be acquired may not be greater than 10% (ten percent) above the weighted average of the market price at which such ordinary shares traded on the JSE over the 5 (five) business days immediately preceding the date on which the transaction is effected.

The general authority to repurchase the company's shares will be acted upon within the parameters laid down by the JSE, as and when the directors deem it to be appropriate. After considering the effect of a general repurchase within these parameters, the directors are of the view that, for a period of at least 12 (twelve) months after the date of this notice of meeting:

- AME and the group will be able in the ordinary course of business to pay its debts;
- the assets of AME and the group, fairly valued in accordance with accounting policies used in the latest audited report, will be in excess of the liabilities of the company and the group;
- the ordinary capital and reserves of AME and the group will be adequate for the purposes of the company's and the group's businesses, respectively; and
- the working capital of AME and the group will be adequate for their requirements."

The company will provide the sponsor and the JSE with all documentation as required in Schedule 25 of the Listings Requirements of the JSE and will not recommence any repurchase programme until the sponsor has signed off on the adequacy of its working capital, advised the JSE accordingly and the JSE has approved this documentation.

The reason for this special resolution is to grant a general approval in terms of the Act and the Listings Requirements of the JSE for the acquisition by the company or its subsidiaries of shares issued by the company, subject to statutory and regulatory limitations and controls.

The effect of this special resolution is to enable the company and/or a subsidiary, by way of a general approval, to repurchase up to a maximum of 20% of its share capital in any one financial year.

## Additional disclosure requirements in terms of the Listings Requirements of the JSE

As per Section 11.26(b) of the Listings Requirements of the JSE, shareholders are referred to the following sections in the annual report to which this notice of annual general meeting is attached:

- Details of directors on page 3;
- Directors' interests in securities on page 12 (which beneficial interests have not changed since 31 March 2013. There are no non-beneficial interests);
- Major shareholders on page 51;
- Material changes in the nature of the company's trading or financial position post-31 March 2013 on page 12; and
- Share capital note 10 on page 36.

## Explanation

The reason for and effect of special resolution number 1 is to give a mandate to the directors to repurchase or purchase ordinary shares issued by the company.

## 2. Special resolution number 2: approval of non-executive directors' fees

"Resolved that: the remuneration of the non-executive directors be and is hereby increased with effect from 1 April 2013 as set out below.

Directors' fees are payable per meeting attended:

<b>Board</b>	
Chairman	R17 000
Other	R11 900
<b>Audit and risk committee</b>	
Chairman	R11 350
Other	R7 950
<b>Remuneration, human resources and transformation committee</b>	
Chairman	R11 350
Other	R7 950
<b>Social and ethics committee</b>	
Chairman	R11 350

**Explanation:** The reason for and effect of special resolution number 2 is to grant the company the authority to pay fees to non-executive directors for their services as directors.

#### **Litigation statement**

The directors are not aware of any legal or arbitration proceedings active, pending or threatened against or being brought by the company, which may have a material effect on the group's financial position or which have had a material effect during the 12 months preceding the date of this notice of annual general meeting.

#### **Directors' responsibility statement**

The directors, whose names have been given on page 3 of this annual report, collectively and individually, accept full responsibility for the accuracy of the information pertaining to special resolutions numbers 1 and 2 and certify that, to the best of their knowledge and belief, there are no facts which have been omitted, which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that such resolutions contain all information relevant to special resolutions numbers 1 and 2.

#### **Material changes**

Other than the facts and developments reported in the annual financial statements, there have been no material changes in the affairs of financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

#### **Voting and proxies**

Each shareholder who, being a natural person, is present in person, by proxy or agent, or, being a company, is represented by representative proxy or agent at the general meeting, is entitled to one vote on a show of hands. On a poll, each shareholder, whether present in person or by proxy or by representation, is entitled to one vote for each share held.

A form of proxy is attached for use by certificated or own name shareholders who are unable to attend the general meeting but wish to be represented thereat. They are required to complete and return the form of proxy so as to be received by the transfer secretaries of the company, Computershare Investor

Services Proprietary Limited (Ground Floor, 70 Marshall Street, Johannesburg, 2001 or PO Box 61051, Marshalltown, 2107) not later than 10:00 on Wednesday, 28 August 2013.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, other than by own name registration and who wish to attend the annual general meeting, must instruct their CSDP or broker to issue them with the necessary letter of representation to attend the meeting, in terms of the custody agreement entered into between such shareholders and their CSDP or broker.

Shareholders who have dematerialised their shares through a CSDP or broker, other than by own name registration, who wish to vote by way of proxy should provide their CSDP or broker with their voting instructions by the cut-off time or date advised by their CSDP or broker for transactions of this nature.

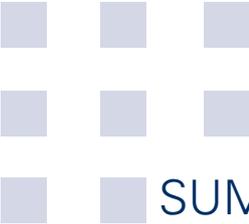
Each certificated or own name dematerialised shareholder entitled to attend and vote at the annual general meeting may appoint one or more proxies (none of whom need be an AME shareholder) to attend, speak and vote in his or her stead. The completion and lodging of a form of proxy will not preclude a shareholder from attending the meeting and speaking and voting thereat to the exclusion of the proxy so appointed.

By order of the board



**V Slabbert**  
*Company secretary*

28 June 2013



## SUMMARY OF RIGHTS ESTABLISHED BY SECTION 58 OF THE COMPANIES ACT, AS REQUIRED IN TERMS OF SUB-SECTION 58(8)(B)(I)

1. A shareholder may at any time appoint any individual, including a non-shareholder of the Company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 or expires earlier in terms of paragraph 10.4 below (section 58(2)).
3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder (section 58(3)(a)).
4. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument") (section 58(3)(b)).
5. A copy of the proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (section 58(3)(c)) and in terms of the Memorandum of Incorporation ("MOI") of the Company at least 48 hours before the meeting commences.
6. Irrespective of the form of instrument used to appoint a proxy:
  - 6.1 the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58(4)(a));
  - 6.2 the appointment is revocable unless the proxy appointment states otherwise (section 58(4)(b)); and
  - 6.3 if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company (section 58(4)(c)).
7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above (section 58(5)).
8. If the proxy instrument has been delivered to the Company, as long as that appointment remains in effect, any notice required by the Companies Act or the Company's MOI to be delivered by the Company to the shareholders must be delivered by the Company to the shareholders (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (section 58(6)(b)).
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).
10. If the Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument:
  - 10.1 the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised (section 58(8)(a));
  - 10.2 the invitation or form of proxy instrument supplied by the Company must:
    - 10.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));
    - 10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and
    - 10.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s), to be put at the meeting, or is to abstain from voting (section 58(8)(b)(iii));
  - 10.3 the Company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and
  - 10.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above (section 58(8)(d)).

# FORM OF PROXY



(Incorporated in the Republic of South Africa)  
(Registration number 1926/008797/06)  
(Share code: AME)  
(ISIN: ZAE 000055802)  
("AME" or "the company")

For use by certificated shareholders and dematerialised shareholders with own name registration at the fifteenth annual general meeting of the holders of ordinary shares in the company ("AME shareholders") to be held in the boardroom, Block B, Oxford Office Park, No. 5, 8th Street, Houghton Estate, Johannesburg, at 10:00 on Friday, 30 August 2013 ("the annual general meeting").

I/We

being the registered holder/s of  ordinary shares in the capital of the company, of (address):

hereby appoint (see note 1):

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

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

3. the chairman of the annual general meeting,

as my/our proxy to act for me/us at the annual general meeting for the purposes of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat, and at each adjournment thereof, and to vote for or against such resolutions or abstain from voting in respect of the ordinary shares registered in my/our name/s in accordance with the following instructions (see note 2):

Resolution number	For	Against	Abstain
<b>Ordinary resolutions</b>			
1 To adopt the annual financial statements of the company and group for the year ended 31 March 2013			
2 To place the unissued ordinary shares of the company under the control of the directors			
3.1 To re-elect Mr MJ Prinsloo as a director of the company			
3.2 To re-elect Mr WTshuma as a director of the company			
4 To re-appoint PKF (Jhb) Inc. as the independent auditors of the company			
5.1 To re-elect Mr MJ Prinsloo as member and chairman of the audit and risk committee			
5.2 To re-elect Mr N Sooka as member of the audit and risk committee			
5.3 To re-elect Mr WTshuma as member of the audit and risk committee			
6 To authorise a director or company secretary to take action or sign documentation to give effect to resolutions passed			
<b>Special resolutions</b>			
1 To approve the general authority for the company and/or a subsidiary to acquire the company's own shares			
2 To approve the remuneration of the non-executive directors			

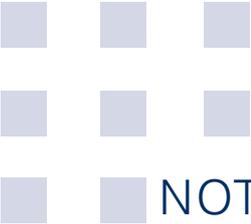
Signed at \_\_\_\_\_ on \_\_\_\_\_ 2013

Signature \_\_\_\_\_

Assisted by (where applicable state capacity and full name) \_\_\_\_\_

Each AME shareholder is entitled to appoint one or more proxy/ies (who need not be a shareholder/s of the company) to attend, speak and vote in his or her stead at the annual general meeting.

Please read the notes on the reverse side hereof.



## NOTES

1. An AME shareholder may insert the name of a proxy or the names of two alternative proxies of his or her choice in the space/s provided, with or without deleting “the chairman of the annual general meeting,” but any such deletion must be initialled by the AME shareholder concerned. The person whose name appears first on this form of proxy and who is present at the annual general meeting, will be entitled to act as proxy to the exclusion of those persons whose names follow.
2. An AME shareholder’s instruction to the proxy must be shown by indicating in the appropriate box provided the manner in which that AME shareholder wishes to vote by inserting an “X” in the relevant box unless a shareholder wishes to split his or her votes. In this case the relevant number of shares to be so voted must be indicated in the relevant box. Failure to comply with the above will be deemed to authorise the proxy to vote, or abstain from voting, at the annual general meeting as he or she deems fit in respect of all the AME shareholder’s votes exercisable thereat.
3. An AME shareholder or his or her proxy is not obliged to use all the votes exercisable by the member or to cast all these votes exercised in the same way, but the total of the votes cast, and in respect whereof abstention is recorded, may not exceed the total of the votes exercisable by the member. Failure to comply with the above will be deemed to be authority to the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the ordinary and/or special resolutions proposed at the annual general meeting or any other proxy to vote or abstain from voting, at the annual general meeting as he or she deems fit, in respect of the shares concerned.
4. Forms of proxy and any power of attorney by virtue of which such proxy is signed (or a notarially certified copy of such power of attorney) must be lodged at or posted to the transfer secretaries of the company, Computershare Investor Services Proprietary Limited (Ground Floor, 70 Marshall Street, Johannesburg, 2001 or PO Box 61051, Marshalltown, 2107), to be received by not later than 10:00 on Wednesday, 28 August 2013.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
6. 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 secretary or waived by the chairman of the annual general meeting.
7. If you are a dematerialised shareholder, other than by own name registration, you must inform your appointed Central Securities Depository Participant (“CSDP”) or broker of the manner in which you wish to vote in order for them to notify the company secretary by not later than 10:00 on Wednesday, 28 August 2013. Only registered certificated shareholders recorded in the main register of members of the company or under own names in the dematerialised register, may complete a form of proxy or alternatively attend the annual general meeting. Those dematerialised shareholders who are not registered under their own names who wish to attend the annual general meeting or vote by proxy must contact their CSDP or broker who will provide them with the necessary authority to do so, or carry out their instructions.
8. This must be done in terms of the agreement between the shareholder and his or her CSDP, as applicable.
9. The chairman of the annual general meeting may reject or accept any form of proxy which is completed and/or received, other than in compliance with the Memorandum of Incorporation of the company or these notes.