

NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
SUBTROPICO LIMITED
(Incorporated in the Republic of South Africa)
REGISTRATION NUMBER 1993/000220/06
(the "Company")

NOTICE IS HEREBY GIVEN that The 24th Annual General Meeting of the Company will be held on Friday, 25 August 2017 at 10h00 in No 5 Parkland Building, 229 Bronkhorst Street, New Muckleneuk, Pretoria, to consider, and if deemed fit, pass with or without modification, the resolutions as set out in this notice.

The Board of Directors of the Company has determined, in accordance with section 59 of the Companies Act No. 71 of 2008, as amended (the "Act"), that

- The record date for determining which shareholders are entitled to receive Notice of the meeting is the close of business on Monday 3 July 2017;
 - The record date for determining which shareholders may participate in and vote at the meeting is the close of business on Monday 17 July 2017.
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1. PRESENTATION OF AUDITED FINANCIAL STATEMENTS

The Summarised Annual Financial Statements of the Group for the year ended 31 December 2016 will be presented to Shareholders as required in terms of section 30(3)(d) of the Act as Annexure A.

Any shareholder who requires a copy of the Annual Report including complete annual financial statements for the year ended 31 December 2016 may obtain a copy from the company's registered office which is No 5 Parkland Building, 229 Bronkhorst Street, New Muckleneuk, Pretoria; telephone (012) 460 9910 or on the company's website <http://www.subtropicolimited.co.za/reports.php>

2. NOTING OF DIVIDEND APPROVED BY THE BOARD

In accordance with the Company's Memorandum of Incorporation (the "MOI") the sanctioning or declaration of distributions as approved by the Board on the recommendation by the Audit committee will be presented.

A dividend of 330 cents per share (2015: 290 cents) was paid on Friday, 28 April 2017 to shareholders recorded in the securities register at close of business on Friday, 21 April 2017. Withholding tax of 20% was deducted and paid over to SARS, resulting in a net dividend of 264 cents per share, unless exemption had successfully been applied for.

3. ORDINARY RESOLUTIONS

For the purposes of sections 62(3)(c) and 65(7) of the Act, unless otherwise specified, in order for each of the ordinary resolutions appearing hereunder to be passed, each resolution must be supported by more than 50% of the voting rights exercised on each ordinary resolution.

Consider, and if deemed fit, passing, with or without modification, the following Ordinary Resolutions:

3.1 Ordinary Resolution Number 1: Re-Appointment of External Auditors

The Audit Committee, having satisfied itself that the current auditors meet the independence requirements prescribed by section 94(8) of the Act and after having confirmed that automatic rotation in terms of section 92 of the Act does not apply, recommends that the current auditors, MVB Registered Accountants and Auditors be re-appointed as the auditors for the financial year ending 31 December 2017.

RESOLVED THAT MVB Registered Accountants and Auditors be appointed as auditors of the Company for the financial year ending 31 December 2017.

3.2 Ordinary Resolution Number 2: Confirmation of appointment of Directors

To confirm the appointment of directors appointed on a temporary basis since the previous Annual General Meeting in accordance with the provisions of the Act and the Company's MOI.

1. **RESOLVED THAT** the appointment of Mr. CF Oberholzer as Non-Executive Director of the Company be confirmed with effect from 23 February 2017.
2. **RESOLVED THAT** the appointment of Mr. JA du Toit as Non-Executive Director of the Company be confirmed with effect from 23 February 2017.

3.3 Ordinary Resolution Number 3: Election of Directors

To elect the following Non-Executive Directors of the Company who retire by rotation in accordance with the provisions of the Act and the Company's MOI and who are eligible and available for election. The Board of Directors has assessed the performance of the Directors standing for re-election and have found them suitable for reappointment.

1. **RESOLVED THAT** Mr. AF Oberholzer be elected as a Non-Executive Director of the Company.
2. **RESOLVED THAT** Prof S Vil-Nkomo be elected as an Independent Non-Executive Director of the Company.
3. **RESOLVED THAT** Mr. A Vos be elected as a Non-Executive Director of the Company.

3.4 Ordinary Resolution Number 4: Appointment of Audit Committee

Section 94 of the Act requires that, at each AGM, shareholders of the Company must elect an Audit Committee comprising at least three members, who are all Non-Executive Directors. Ms MAF Moja, Mr. CFP Van Dyk and *Prof S Vil-Nkomo retire as members of the audit committee and, being eligible, offer themselves for re-appointment.

RESOLVED THAT the following Non-Executive Directors be and are hereby re-elected as members of the Audit Committee in terms of the Act, to remain in office until the conclusion of the next AGM:

- Ms MAF Moja,
- Mr. CFP Van Dyk and
- *Prof S Vil-Nkomo

* Subject to his re-election as director pursuant to ordinary resolutions number 3.2.

3.5 Ordinary Resolution Number 3: Control over unissued shares

RESOLVED THAT the authorised and unissued ordinary share capital of the company, be and is hereby placed under the control of the directors of the company which directors are subject to the provisions of section 221 and section 222 of the Act, authorised to allot and issue any of such shares at such time or times, to such person or persons, company or companies and upon such terms and conditions as they may determine, such authority to remain in force until the next annual general meeting of the company.

Subject to the approval of Special Resolution number 3, this resolution will be inclusive of the 2 000 000 (two million) ordinary shares of no par value to be created.

4. SPECIAL RESOLUTIONS

For the purposes of sections 62(3)(c) and 65(9) of the Act, unless otherwise specified, in order for each of the special resolutions appearing hereunder to be passed, each resolution must be supported by at least 75% of the voting rights exercised on each special resolution.

Considering, and if deemed fit, passing, with or without modification, of the following Special Resolutions, the reason for and effect of the Special Resolution being stated below each Special Resolution:

4.1 Special Resolution Number 1: Fees Payable to Non-Executive Directors

RESOLVED THAT, unless otherwise determined by the Company in general meeting, the following fees payable by the Company to its Non-Executive Directors for their service as Directors, with effect from 1 July 2017, are approved:

BOARD:	Current fee per meeting	2017 Proposed	2018 Proposed
<i>Non-Executive Directors</i>	<i>R 13,000</i>	<i>R 14,000</i>	<i>R 15,000</i>
CHAIRMAN OF BOARD:	Current fee per meeting	2017 Proposed	2018 Proposed
<i>Chairman of the Board</i>	<i>R21,500</i>	<i>R23,200</i>	<i>R25,000</i>
ADDITIONAL FEE PAYABLE FOR ADDHOC SERVICES	Current	2017 Proposed	2018 Proposed
<i>Chairman of the Board, Non-Executive Directors, Committee Members</i>	<i>R6,900 per day</i>	<i>R7,400 per day</i>	<i>R8,000 per day</i>

The reason for and effect of this Special Resolution Number 1:

Section 66(9) of the Act requires that a company may pay remuneration to its Directors for their services as Directors only in accordance with a special resolution approved by the shareholders within the previous two years.

The reason for and effect of this proposed special resolution is to grant the Company the authority to pay fees to its Non-Executive Directors for their services as Directors.

4.2 Special Resolution Number 2: Related or Inter Related Financial Assistance

1. RESOLVED THAT in terms of section 45 of the Act, the Shareholders hereby approve of the Company providing, at any time and from time to time during the period of two years commencing on the date of adoption of this Special Resolution Number 2, any direct or indirect financial assistance (which includes lending money, guaranteeing a loan or other obligation, and securing any debt or obligation) as contemplated in section 45 of the Act to a related or inter-related company, or to any other class of person referred to in section 45(2) of the Act.
2. IT WAS FURTHER RESOLVED THAT, the Directors of the company shall, in accordance with section 45 of the Act, satisfy itself that any direct or indirect financial assistance to be granted shall be on terms and conditions that are fair and reasonable to the company and that the company will satisfy the solvency and liquidity test (as set out in section 4 of the Act) immediately after providing the direct or indirect financial assistance.

The reason for and effect of this Special Resolution Numbers 2.1 and 2.2:

The reason for and effect of this proposed special resolution is to grant directors of the Company the authority to cause the Company to provide financial assistance to any subsidiary or inter-related company in the Group, in terms of section 45 of the Act

4.3 Special Resolution Number 3: Increase of Shares

RESOLVED THAT, in accordance with section 36(2) of the Act and clause 2.1 of the company's MOI, the authorised shares of the company, comprising 3 000 000 (three million) ordinary shares of no par value, be and is hereby increased by the creation of a further 2 000 000 (two million) ordinary shares of no par value so that after the increase, the authorised shares shall comprise 5 000 000 (five million) ordinary shares of no par value with effect from the date of filing and approval of the notice of amendment with the Companies and Intellectual Property Commission and that clause 2.1 of the MOI be amended to reflect the increase of the company's authorised shares.

The reason for and effect of this Special Resolution Number 3:

The reason for and effect of this proposed special resolution is to create sufficient ordinary shares of no par value in the capital of the Company to ensure that there is sufficient authorised shares available for the needs of the Company for the foreseeable future.

4.4 Special Resolution Number 4: Repeal of Special Resolution to register The Subtropico Empowerment Trust

Whereas Subtropico's application to the Master of the High Court for the registration of The Subtropico Empowerment Trust, as per the resolutions passed at the 23rd Annual General Meeting of the Company held on Friday, 29 July 2016, had been rejected due to the Master not being satisfied by the broad nature of the definition of "beneficiaries" as per the Trust Deed. The Master required the exact beneficiaries to be listed, something that would have been an unknown variable at the time of registering the Trust.

IT IS THEREFORE RESOLVED THAT, following the rejection by the Master of the High Court of Subtropico's application to register The Subtropico Empowerment Trust, to reverse these resolutions and amend the Company's MOI to its original form before the establishment of The Subtropico Empowerment Trust.

The resolutions to be reversed include:

"It was resolved as a Special Resolution that Subtropico Limited ("the Company") establish a Black Economic Empowerment ("BEE") Scheme by, inter alia, -establishing a Trust to be known as The Subtropico Empowerment Trust to acquire and hold Investments and to use distributions and proceeds from Investments to further education and skills development of Black People and/or to empower Black People by supporting Black Owned Businesses; -creating a class of ordinary shares of the Company to be known as the Accelerated Employment ("AE") class of ordinary shares for this purpose.

It was further resolved that the Company's Memorandum of Incorporation ("MOI") be amended to authorise 500 000 AE no par value shares for this purpose and that the rights and obligations of the AE shares be set out in a Schedule which will be attached to the Company's MOI as Schedule 1, and that this Schedule 1 submitted to the Shareholders is hereby approved and incorporated in this Special Resolution.

It was further resolved that The Board of Directors of the Company is authorised to issue the AE shares to such persons and in such quantities and at such times as they deem fit.

It was further resolved that any Director of the Company is authorised to enter into any Agreements, to sign any documents and to carry out any acts to establish the Company's BEE Scheme and implement this Resolution, and to include such terms and conditions in The Subtropico Empowerment Trust Deed, the proposed Subscription Agreement and any other necessary Agreement as he in his sole discretion deems fit.

The draft Schedule 1 setting out the rights and obligations of the AE shares will be tabled at the Annual General Meeting. Any shareholder who requires a copy of this draft Schedule may obtain a copy from the company's registered office at the address set out in Resolution1 above."

The reason for and effect of this Special Resolution Number 4:

The reason for and effect of this proposed special resolution is to reverse these resolutions and amend the Company's MOI to its original form before the establishment of The Subtropico Empowerment Trust.

Shareholders are reminded that:

- a Shareholder entitled to attend and vote at the AGM is entitled to appoint a Proxy (or more than one Proxy) to attend, participate in and vote at the meeting in the place of the Shareholder, and Shareholders are referred to the Proxy Form attached to this Notice in this regard;
- a Proxy need not also be a Shareholder of the Company; and
- in terms of section 63 (1) of the Act, any person attending or participating in a Meeting of Shareholders must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as Shareholder or as Proxy for a Shareholder) has been reasonably verified.

By Order of the Board

BP. Botha
CHAIRMAN AND DIRECTOR

PROXY FORM FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

SUBTROPICO LIMITED

(Incorporated in the Republic of South Africa)
 REGISTRATION NUMBER 1993/000220/06
 (the "Company")

This Proxy Form relates to the 24th Annual General Meeting of the Company to be held on Friday, 25 August 2017 at 10h00 in No 5 Parkland Building, 229 Bronkhorst Street, New Muckleneuk, Pretoria ("the AGM").

I/We _____ (insert name of registered shareholder)

of _____ (insert address),

being the registered owner of _____ (insert number) shares hereby appoint,

1. _____ or failing him / her,
2. _____ or failing him / her,
3. the chairman of the AGM to attend and participate in the AGM as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the annual general meeting and at any postponement, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the annual general meeting, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s), in the following manner:

RESOLUTION	IN FAVOUR	AGAINST	ABSTAIN
Ordinary Resolution Number 1: Re-Appointment of External Auditors			
Ordinary Resolution Number 2: Confirmation of appointment of Directors			
Ordinary Resolution Number 3: Control over unissued shares			
Special Resolution Number 1: Fees Payable to Non-Executive Directors			
Special Resolution Number 2: Related or Inter Related Financial Assistance			
Special Resolution Number 3: Increase of Shares			
Special Resolution Number 4: Repeal of Special Resolution to register The Subtropico Empowerment Trust			

Signed on this _____ day of _____ 2017

Signature: _____

Name: _____

Designation: _____