

Conafex Holdings Société Anonyme

(Incorporated in Luxembourg. R.C.S. Luxembourg No. B 17789)

("Conafex" or the "Company")

Directors

C.P. Jousse (Chairman)
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8th July 2009

To the shareholders and, for information only, the warrant holders

Dear Sir and/or Madam,

Change to the Company's status and notification of change of transfer agents

As you will be aware from the circular dated 26th February 2009, the Company made an offer to shareholders to acquire their shares and convened an Extraordinary General Meeting to approve the cancellation of the listing of the Company's shares. The resolutions proposed were passed and the listings of the shares on the Luxembourg Stock Exchange and the JSE Limited were terminated with effect from 9th April 2009.

A result of these changes is that Conafex can no longer be a 1929 holding company so it is proposed that the Company's status be changed to a société de participations financières, better known as a "Soparfi". Additionally the Company is required to adopt new Articles of Incorporation, appropriate for such a company, in the presence of a Luxembourg notary. The objects clause of new Articles is set out in the Notice of Meeting and a copy of the new Articles of Incorporation will be available for inspection from the date of this letter until the conclusion of the General Meeting at the registered office of the Company, 58 rue Charles Martel, L-2134, Luxembourg; the offices of City Group P.L.C., 30 City Road, London, EC1Y 2AG, United Kingdom and at the Company's South African office, 11 Sunbury Park, La Lucia 4051, Durban. A brief summary of Soparfis is set out on pages 2 and 3 of this letter. It is worth noting that all Luxembourg 1929 holding companies will have to change their status as that regime will come to an end on 31st December 2010.

Transfer Agents

With effect from 30th June 2009, Capita Registrars Limited and Computershare Investor Services (Pty) Limited ceased to act as Transfer Agents for the Company. Our Group Secretaries, City Group P.L.C. now act as the Transfer Agents and will deal with all matters relating to share and warrant registration and any related enquiries. Full contact details for City Group can be found at the top of this page.

C.P. Jousse
Chairman

LUXEMBOURG SOPARFIS

This note summarises the tax regime that applies to a Soparfi. The Soparfi is a taxable company that is constituted under the general Luxembourg company law of 10 August 1915 and is frequently used as a holding company. The law is stated at 31 December 2005.

1. GENERAL TAX TREATMENT

Although Soparfis are taxable companies, with careful planning this type of vehicle can be used with insignificant tax impact.

2. DOUBLE TAX TREATIES

Being a fully taxable company, the Soparfi qualifies for relief under the many double tax treaties that have been concluded by Luxembourg. The Soparfi is also able to benefit from the provisions of the European Union Parent-Subsidiary Directive.

3. QUALIFYING PARTICIPATIONS - DIVIDENDS RECEIVED¹

Dividends received by a Soparfi are exempt from tax in Luxembourg where they derive from a participation that:

3.1 Is in a company that is:

3.1.1 a fully taxable company resident in Luxembourg; or

3.1.2 resident in an EU member State and is covered by the EU Parent – Subsidiary Directive; or

3.1.3 subject to taxation corresponding to the Luxembourg corporate tax (generally a rate of 11% would be sufficient); and

3.2 At the time of distribution has been held for a period of 12 months or where the Soparfi undertakes to hold it for that period; and

3.3 either:

3.3.1 consists of at least 10% of the issued nominal share capital of the underlying entity; or

3.3.2 had an acquisition price of at least €1.2 million.

4. NET WEALTH TAX

A participation held by a Soparfi will not be subject to net wealth tax where that participation has the same characteristics as described above in relation to dividend income except that there is no holding period requirement (see paragraph 3.2 above).

5. QUALIFYING PARTICIPATIONS - CAPITAL GAINS²

Capital gains realised by a Soparfi on the disposal of a participation are exempt from tax in Luxembourg where that participation has the same characteristics as described above in relation to dividend income except that:

5.1 the acquisition price, if relevant (as in paragraph 3.3.2 above), must be at least €6 million; and

5.2 it must have been held for a period of 12 months at the time of the disposal or, if part of the participation is sold within the 12 month period, the balance must continue, for the balance of that period, to be in excess of 10% or to have an acquisition price in excess of €6 million.

¹ Article 166, Law of 4 December 1967 (“LIR”) as amended by Art 2.2. of the Grand Ducal Regulation of 2001

² Grand Ducal Regulation of 24 December 1990 as amended by Regulations dated 28 April 1992 and 21 December 2001.

6. **WITHHOLDING TAXES - DIVIDENDS DISTRIBUTED**³

Dividend distributions from a Soparfi will not attract withholding tax where:

- 6.1 the distribution is made to:
 - 6.1.1 another fully taxable company resident in Luxembourg;
 - 6.1.2 a company that is resident in an EU member State and covered by the EU Parent – Subsidiary Directive;
 - 6.1.3 the Luxembourg permanent establishment of a company resident in an EU member state;
 - 6.1.4 the Luxembourg permanent establishment of a capital company (société de capitaux) resident in a State with which Luxembourg has a double tax treaty; or
 - 6.1.5 a Swiss resident capital company subject to Swiss tax and not benefiting from an exemption in Switzerland; and
- 6.2 the participation and holding period requirements described in paragraphs 3.2 and 3.3 are complied with.

If these requirements are not met, tax will be withheld in Luxembourg at a rate of 15 % or such lower rate as specified in the relevant double tax treaty.

³ Article 147 LIR, as amended by the Law of 21 June 2005, which implements the EU Parent Subsidiary Directive.

Conafex Holdings Société Anonyme

Registered Office: 58 rue Charles Martel, L-2134 Luxembourg
R.C.S. Luxembourg No. B 17789
("the Company")

NOTICE is hereby given that an EXTRAORDINARY GENERAL MEETING of the Company will be held at the offices of Maitland Luxembourg S.A., 58 rue Charles Martel, L-2134 Luxembourg on Monday 3rd August 2009, at 10.00 a.m. to resolve, in the presence of a notary:

1. That a representative of M Partners, the Company's advisers, be appointed chairman of this meeting.
2. That the Company change its status from a 1929 holding company to a société de participations financières, and that the Company's Articles of Incorporation be amended to reflect consequential changes resulting from the said change in its status, including a new objects clause as follows

"ARTICLE 5. OBJECTS

5.1 The objects of the company are to conduct the following activities:

- (a) To carry on the business of holding participatory interests in any form whatsoever in Luxembourg or foreign companies and the supervision, control and development of such participating interests.
- (b) To hold participatory interests in any enterprise in whatever form whatsoever (without being bound by the provisions of the law of 31 July 1929 on holding companies), in Luxembourg or foreign companies, and to manage, control and develop such interests. The company may in particular borrow funds from and grant any assistance, loan, advance or guarantee to enterprises in which it has an interest or which hold an interest in the company.
- (c) To acquire negotiable or non negotiable securities of any kind (including those issued by any government or other international, national or municipal authority), patents, copyright and any other form of intellectual property and any rights ancillary thereto, whether by contribution, subscription, option, purchase or otherwise and to exploit the same by sale, transfer, exchange, license or otherwise.
- (d) The Company may borrow or raise money with or without guarantee and in any currency by the issue of notes, bonds, debentures or otherwise.
- (e) To provide or procure the provision of services of any kind necessary for or useful in the realisation of the objects referred to above or closely associated therewith.

5.2 Any activity carried on by the Company may be carried on directly or indirectly in Luxembourg or elsewhere through the medium of its head office or of branches in Luxembourg or elsewhere, which may be open to the public.

5.3 The Company shall have all such powers as are necessary for the accomplishment or development of its objects without being bound by the provisions of the law of 31 July 1929 on holding companies."

By order of the Board,

CITY GROUP P.L.C.

Group Secretaries

58 rue Charles Martel,
L-2134, Luxembourg
8th July 2009

Notes:

- (i) **A proxy form is enclosed with this document. You are requested to complete and return the form whether or not you intend to attend the Extraordinary General Meeting.**
- (ii) In terms of Article 24.4 of the Company's Articles of Incorporation, a shareholder may appoint a proxy who need not be a shareholder of the Company. Any company being a shareholder of the Company may execute a form of proxy under the hand of a duly authorised officer.
- (iii) To be effective, the form of proxy, duly completed, must arrive at the registered office of the Company not less than forty-eight hours before the time fixed for the meeting.