



“Committed to growth, dedicated to value”

petmin

Petmin Limited

(Incorporated in the Republic of South Africa)

(Registration number: 1972/001062/06)

JSE share code: PET ISIN: ZAE000076014

(“**Petmin**” or “**the Company**”)

Notice of annual general meeting for
the year ended 30 June 2015

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INTEGRATED ANNUAL REPORT DESCRIBES ANOTHER SOLID OPERATING PERFORMANCE AT PETMIN'S OPERATIONS

Dear shareholder

The continued focus by management on cost control, efficiencies and productivity improvements saw headline earnings grow 62% to 24.28 cents per share (2014: 14.95 cents) for the year ended 30 June 2015. At the same time, we are proud to have maintained our exemplary safety record at the Somkhele anthracite mine in KwaZulu-Natal. The North Atlantic Iron Corporation (NAIC) pig iron project is progressing well and we have now selected the site for NAIC's first pig iron plant. We are pleased to enclose a letter from our chairman Ian Cockerill extracted from our Integrated Report for the year ended 30 June 2015 and abridged financial statements extracted from our Annual Financial Statements for the year ended 30 June 2015.

We continue our drive to improve productivity and efficiencies at Somkhele and remain focused on those areas that are within our control, such as cost reduction, improved efficiencies, and equipment utilisation. In the past two years ended 30 June 2015, this strategy has yielded a unit production cost decrease of a further 7% in 2015 after a reduction of 9% in 2014.

Our main project focus remains North Atlantic Iron Corporation (NAIC) where, during the year ended 30 June 2015, Petmin increased its shareholding in NAIC to 35% and, following an extensive trade-off analysis, selected the location of the first pig iron plant.

Details of these developments can be found in our Integrated Report covering the year to 30 June 2015. The report follows the King III Code of Governance Principles for South Africa. In addition to demonstrating Petmin's ability to create and sustain value, it explains Petmin's strategy and value proposition, how we manage our stakeholders, how we identify and manage risks facing our organisation, our business model and our economic, social and environmental impacts.

As an environmentally responsible company which embraces modern communication techniques, we have placed our Integrated Report and Annual Financial Statements online at www.petmin.co.za.

We are happy, though, to provide printed copies to those who prefer them. You can request printed copies from our Company Secretary: jvdwalt@mondialcons.com or, you can contact us on +27 (0)11 706 1644 and we will ensure the delivery of the printed copies.

The Petmin Annual General Meeting (AGM) will be held at 37 Peter Place, Bryanston, Johannesburg at 10:00 on Monday, 15 February 2015 and we hope to see you there.

The Petmin team

15 January 2016

CHAIRMAN'S LETTER TO SHAREHOLDERS

WELCOME TO PETMIN'S ANNUAL INTEGRATED REPORT FOR THE 2015 FISCAL YEAR.

Petmin recorded a strong performance for the year ended 30 June 2015, in a period where the global resources sector remained under pressure. The continued focus by management on cost control, efficiencies and productivity improvements saw headline earnings grow 62% to 24.28 cents per share (2014: 14.95 cents) for the year to 30 June 2015. At the same time, we are proud to have maintained our exemplary safety record at the Somkhele anthracite mine in KwaZulu-Natal.

With tough global economic conditions persisting, and likely to continue over the next 12 to 24 months, we continue to focus on areas under our control, and are pleased to report that unit costs reduced by a further 7% after a reduction of 9% in 2014.

Normalised earnings have shown steady growth over the past two years and were up 30% in the last 12 months to R132 million (2014: R102 million; 2013: R82 million). This was achieved in a period of reducing prices of both metallurgical anthracite and global steam coal. We maintained pricing of our anthracite at the same levels as 2014 and achieved a 9% increase in at-mine-gate prices for our energy coal, which remains in demand.

Petmin remains cash generative and has declared a dividend of five cents per share (2014: 3 cents), in line with our dividend policy to pay 20% of sustainable earnings

During the year, Petmin bought 28 496 778 of its own shares at an average price of R1.53 per share. At 30 June 2015, Petmin held 32 808 234 of its own shares, representing 5.69% of total issued shares.

BBBEE shareholding

Petmin believes that to ensure long-term sustainable empowerment it is imperative that local communities and employees become owners, enabling them to share the economic benefit of our operations.

In this regard, we are pleased to report that Petmin has structured a R350 million Broad-Based Black Economic Empowerment transaction with the local community and employees for a 20% stake in Somkhele. The beneficiaries of the community shareholding will be the youth and children. The deal was approved by shareholders at a general meeting held on 9 November 2015. (Please refer to the SENS announcement dated 10 November 2015 for more information.)

Celebrating 10 years

During 2015 Petmin celebrated 10 years as an entrepreneurial mining company, which has survived and prospered during some of the industry's most turbulent times. We've gone from a cash shell in 2005 to a sustainably profitable company with a cash-generating anthracite mine and a highly-prospective industrial operation in North America. Petmin's investment strategy has seen it withdraw from projects which didn't meet its criteria, but also secure a 45% year-on-year return on the SamQuarz silica mine which we acquired in 2005 and sold in 2011. The success of Petmin can be attributed in large part to the commitment and spirit of a stable management team. They are to be congratulated.

Somkhele

During the 12 months under review, production of saleable anthracite at Somkhele increased by 19% to 1 335 233 tonnes (2014: 1 125 089 tonnes) with improved volume and yields. Sales of anthracite were also up 19% to 1 222 150 tonnes (2014: 1 026 250 tonnes) predominantly due to supply constraints affecting other producers.

Average prices for inland sales were unchanged from 2014; 71% of Somkhele's export sales were Dollar-denominated with the remaining 29% in Rands. The average Dollar price of export sales dropped by 4%, offset by a 9% weakening of the average exchange rate.

The continued success of our thermal coal recovery programme from reworked discard is demonstrated by a production increase of 51% to 368 413 tonnes (2014: 244 298 tonnes), with sales up 102% to 352 255 tonnes (2014: 174 556 tonnes). Yield was up 29%.

The average at-mine-gate selling price of energy coal increased by 9% in 2015 with continued strong demand.

Wage agreements

In August 2015 we were pleased to announce that Tendele Coal Mining, the operator of Petmin's Somkhele mine, concluded a two-year wage agreement with NUM and AMCU, effective from 1 July 2015, comprising a Total Cost to Company (TCTC) increase of 8.6% for 2015/2016 and 6.5% for 2016/2017.

In addition, a three-year wage agreement was signed with Solidarity comprising a TCTC increase of 6% for 2015/2016, 6.5% for 2016/2017 and 7% for 2017/2018. A TCTC increase of less than 6% for 2015/2016 was agreed with mine management.

We continue to seek ways to align employees and the company, and we focus on improving communication and relationships with employees and the communities affected by our operations. We trust that the implementation of the BBBEE deal at Somkhele will assist in this process.

Somkhele is expanding its efforts to build even stronger relationships with all stakeholders, including employees and their families, the local community around Somkhele, the Tribal Authority, all traditional structures, schools, the youth, and the business community. Although Petmin provides the local community with basic services such as water, electricity, health care and education, the company does not believe that such provisioning is its primary responsibility. Petmin does however believe it is making a material difference in the community by working together with the authorities and the community to ensure a better future for all.

Arbitration

Following information that came to light during the arbitration proceedings with one of its customers, Tendele has withdrawn from the arbitration process and sought declaratory relief from the High Court that the contract concerned is void. Petmin and its legal advisers remain confident that this action will be successful. (Please refer to an update on the arbitration process which was published on SENS on 3 December 2015.)

NAIC – Petmin's pig iron industrial project

The North Atlantic Iron Corporation (NAIC) in North America remains Petmin's priority development project. After researching 13 potential sites over two years, NAIC has selected the preferred location for its first pig iron plant to be in the Canadian province of Quebec or in the US State of Ohio.

Detailed site-specific engineering design work by Tenova is scheduled to be concluded within six to nine months, leading to capital raising for plant development and construction. The environmental permitting process will commence during this period.

NAIC's first plant could be configured to produce 425 ktpa Merchant pig iron for the foundry market. Petmin believes the chosen plant location will have a significant cost advantage over Pig Iron currently delivered to the Midwest region of the United States and to Europe.

During the year ending 30 June 2015, Petmin invested an additional R29 million (2014: R68 million) in NAIC to take its shareholding in this industrial project to 35% (30 June 2014: 33%). A final investment decision on the NAIC project will be taken at the conclusion of the Bankable Feasibility Study by the end of Q1 2016.

Veremo iron ore project

Petmin awaits the execution of a mining right awarded in January 2014 for its Veremo pig iron project in Mpumalanga and we remain deeply disappointed at the administrative delays from relevant authorities in delivering this document. Additional metallurgical tests were conducted during the year, and a commercial scale campaign using Veremo ore will be undertaken at Mogale Alloys in their 10 MW DC Arc Furnace to produce high purity pig iron and titanium rich slag.

The arbitration proceedings against Framework Investments Limited and Kermas Limited, both having guaranteed payment of three separate amounts of R65 million due by Veremo Holdings Limited to Petmin, will continue once dates have been finalised with the arbitrators. It is Petmin's intent to vigorously pursue its rights in this matter.

Capital management

Cash preservation is critical due to the current state of the commodities market. Despite a solid balance sheet, which we will endeavour to protect at all costs, Petmin will continue to review opportunities that may arise but will only consider those which are already or will imminently be cash generating, as well as being competitively positioned on their respective cost curves. Management believes it may be prudent to continue to buy back shares as the company remains undervalued relative to current financial performance, but not at the expense of a weaker balance sheet or in a way that prejudices our ability to pay dividends.

The year ahead

Petmin expects current levels of anthracite production at Somkhele to be maintained in the year ahead, with sales to increase slightly as inventory is reduced. Local demand and prices are expected to remain stable, though occasional bouts of demand volatility on global markets cannot be discounted.

Petmin expects Dollar prices for exports to come under pressure in calendar 2016, with receipts aided by the weakening Rand. Energy coal sales are expected to increase to approximately 450 000 tonnes per annum with average at-mine-gate prices in Rands to increase by approximately 15% due to better pricing from revised product blends.

Capital expenditure to June 2016 is expected to be approximately R83 million, with about half of this to open new mining areas at Somkhele.

In the year ending 30 June 2016, Petmin intends to invest the final US\$4 million to take its shareholding in NAIC to 40%.

(Subsequent to 30 June 2015, Petmin invested a further US\$2 million, with US\$2 million remaining to be invested at the time of this report.) The proposed unbundling and separate listing for NAIC has, however, been delayed indefinitely due to volatility in equity markets.

Board composition

As announced on 8 September 2015, Lebo Mogotsi, the current executive Deputy Chairman of Petmin, will assume the role of non-executive Deputy Chairman with effect from the Company's Annual General Meeting (AGM) to be convened on 15 February 2016.

Lebo will remain on the board and will be available on a consulting basis to Petmin, and will continue to contribute to the strategy, development and growth of the company.

Lebo has been an integral part of the executive team which has developed Petmin from a cash shell to a R1.3 billion turnover company employing almost 1 000 people; and we would like to thank her for her dedication and service as an executive director. We look forward to Lebo's continued contribution as a non-executive director.

Finally, it would be remiss of me not to thank Jan, Brad, Bruce, my fellow board members and the management team at Somkhele for their unstinting efforts in making Petmin the successful company it is.

With their continued commitment, the company is in good hands.



Ian Cockerill
Chairman

ABRIDGED FINANCIAL STATEMENTS

These abridged Group annual financial statements comprise a summary of the audited annual financial statements of the Group for the year ended 30 June 2015. The unqualified audit report is available for inspection at the Group's registered office. These abridged financial statements comprise:

- Abridged Group statement of financial position
- Abridged Group statement of comprehensive income
- Abridged Group statement of cash flows
- General overview of performance

For a full appreciation of the financial position and results of the Group, readers should refer to the audited annual financial statements.

The audited annual financial statements of the Group for the year ended 30 June 2015 are available on www.petmin.co.za or a copy can be obtained on request from our Company Secretary: jvdwalt@mondialcons.com.

Material change

There has been no material change in the affairs of or financial position of the Company as reported in the condensed preliminary consolidated financial statements as published on 8 September 2015 other than the implementation of the BEE transaction as approved by shareholders in a General Meeting held on 9 November 2015 and published on SENS on 10 November 2015. Shareholders are also referred to the operational update and the Petmin subsidiary, Tendele Coal Mining Proprietary Limited, Arbitration Update published on SENS on 19 November and 3 December 2015 respectively.

Petmin Limited
Abridged consolidated income statement
for the year ended 30 June 2015

	Audited Year ended 30 June 2015 R'000	Audited Year ended 30 June 2014 R'000
Revenue	1 274 165	1 019 789
Cost of sales	(1 020 531)	(824 760)
Gross profit	253 634	195 029
Operating expenses	(19 861)	(14 527)
Administration expenses	(16 605)	(20 597)
Profit from operating activities	217 168	159 905
Fair value adjustments on listed securities	–	(13 464)
Net finance expense	(32 521)	(32 546)
Finance income	7 317	6 537
Finance expenses	(39 838)	(39 083)
Impairment of investment in equity accounted investees	(3 317)	(199 676)
Impairment loss on property, plant and equipment	(3 747)	–
Share of equity accounted investees, net of tax	2 397	7 813
Profit/(Loss) before income tax	179 980	(77 968)
Income tax expense	(54 937)	(41 457)
Profit/(Loss) for the year	125 043	(119 425)
Earnings per share		
Basic earnings/(loss) per ordinary share (cents)	22.98	(20.70)
Diluted earnings/(loss) per ordinary share (cents)	22.98	(20.70)

Abridged consolidated statement of comprehensive income
for the year ended 30 June 2015

	Audited Year ended 30 June 2015 R'000	Audited Year ended 30 June 2014 R'000
Profit/(Loss) for the year	125 043	(119 425)
Other comprehensive income (after tax)		
Items that may be reclassified to profit and loss		
Foreign currency translation differences on equity accounted investees	(3 437)	6 862
Share of fair value gain in equity accounted investee	54 583	16 251
Cash flow hedges reclassified to profit or loss	–	2 619
Other comprehensive income for the year, net of income tax	51 146	25 732
Total comprehensive income/(loss) for the year	176 189	(93 693)

Petmin Limited
Abridged consolidated statement of financial position
at 30 June 2015

	Audited as at 30 June 2015 R'000	Audited as at 30 June 2014 R'000
ASSETS		
Non-current assets	1 569 463	1 552 484
Property, plant and equipment	1 062 878	1 122 531
Investment in equity accounted investees	420 452	337 572
Loans due from equity accounted investees	61 133	67 381
Investments	25 000	25 000
Current assets	621 395	482 951
Inventories	250 118	264 532
Trade and other receivables	110 249	121 549
Current tax assets	3 681	2 095
Cash and cash equivalents	257 347	94 775
Total assets	2 190 858	2 035 435
EQUITY AND LIABILITIES		
Total equity attributable to equity holders of the Company	1 284 849	1 169 304
Share capital	136 026	143 150
Share premium	292 438	328 927
Share option reserve	20 297	20 297
Foreign currency translation reserve	14 425	17 862
Retained earnings	821 663	659 068
Non-current liabilities	451 362	602 692
Interest-bearing loans and borrowings	108 405	289 159
Deferred taxation liabilities	258 632	246 670
Environmental rehabilitation provision	84 325	66 863
Current liabilities	454 647	263 439
Trade and other payables	136 864	115 182
Revenue in advance	147 562	–
Current portion of interest-bearing loans and borrowings	143 671	75 042
Hedge liability	4 628	–
Shareholders for dividend	1 513	1 339
Bank overdraft	20 409	71 876
Total equity and liabilities	2 190 858	2 035 435

Petmin Limited
Abridged consolidated statement of cash flows
for the year ended 30 June 2015

	Audited Year ended 30 June 2015 R'000	Audited Year ended 30 June 2014 R'000
Cash flows from operating activities		
Cash generated by operations	979 307	702 558
Income tax paid	(46 133)	(1 542)
Interest received	7 317	6 537
Interest paid	(39 838)	(39 083)
Net cash from operating activities	900 653	668 470
Cash flows from investing activities		
Acquisition of subsidiary (net of cash acquired)	(11 974)	–
Investment in equity accounted investees	(32 115)	(67 459)
Loan repaid by/(granted to) equity accounted investees	5 709	(6 434)
Acquisition of property, plant and equipment	(475 639)	(542 580)
– to expand operations	(11 276)	(25 326)
– capitalised pre-strip	(447 745)	(497 773)
– to maintain operations	(16 618)	(19 481)
Proceeds from sale of property, plant and equipment	–	1 000
Net cash used in investing activities	(514 019)	(615 473)
Cash flows from financing activities		
Treasury shares acquired	(43 613)	(4 152)
Repayment of borrowings	(112 125)	(19 562)
Increase in borrowings	–	40 081
Dividends paid	(16 857)	(17 245)
Net cash (used in)/from financing activities	(172 595)	(878)
Net increase in cash and cash equivalents	214 039	52 119
Cash and cash equivalents at beginning of year	22 899	(29 220)
Cash and cash equivalents at end of year	236 938	22 899

GENERAL OVERVIEW OF PERFORMANCE

During the year under review, Tendele continued with its excellent safety record. Tendele's management and all its employees are commended for their efforts regarding safety, efficiencies, productivity and cost control.

Following another strong operational performance at Somkhele, Petmin's headline earnings increased by 62% to 24.28 cents per share (2014: 14.95 cents). Normalised earnings (see table below) have shown steady growth over the past two years and were up 30% to R132.1 million (2014: R101.7 million; 2013: R82.3 million).

Basic earnings per share was 22.98 cents per share, compared to the loss of 20.70 per share for 2014. The loss for the year ended 30 June 2014 was as a result of the impairment of the investment in Veremo of R181 million and the impairment of Iron Bird of R19 million.

	Year ended 30 June 2015 R'000	Year ended 30 June 2014 R'000	Year ended 30 June 2013 R'000
Normalised earnings			
Profit/(loss) for the period	125 043	(119 425)	(112 032)
Adjust for after-tax effect of:			
– Loss on sale of property, plant and equipment	9	5 999	–
– Mark to market of listed investments	–	13 464	(5 683)
– Impairments	7 064	200 834	200 000
– NRV impairment of inventory	–	6 703	–
– Reversal of accrual	–	(5 855)	–
Normalised profit after tax for the period	132 116	101 720	82 285
Adjusted profit per share	24.28	17.63	14.26
% annual increase in profit per share	38%	24%	–

Group capital expenditure, excluding pre-stripping, reduced by R17 million to R28 million (2014: R45 million) as capital expenditure at Somkhele was R26 million down R13 million from the R39 million spent in 2014.

Additionally, Petmin made the following investments in subsidiaries and equity accounted investees:

- Petmin acquired 100% of the shares and loans in WRP, whose only asset is the office building which houses the Petmin corporate team, for a total purchase consideration of R12.5 million.
- Petmin invested an additional R29 million (2014: R68 million) in NAIC, taking its shareholding in NAIC to 35% (2014: 33%).
- Petmin invested R3 million for a 10% shareholding in Companhia Portuguesa Do Ferro, SA (CPF) which was subsequently impaired following test results which did not meet Petmin's investment criteria.

Petmin's interest-bearing debt to equity ratio (net of cash on hand) decreased to 12.56% at 30 June 2015 from the 29.19% recorded at 30 June 2014. During the year ended 30 June 2015, Petmin received prepayments for certain export sales, the prepayment recorded at 30 June 2015 is Dollar denominated and interest is accrued on the outstanding balance at a rate of 3.5% per annum.

Dividends and share buy-backs

During the year ended 30 June 2015, Petmin paid a dividend of 3 cents per share and also acquired 28 496 778 of its own shares at an average acquisition price of R1.53 per share for a total investment of R44 million. Management believes that Petmin's current share price significantly undervalues the Group's assets and Petmin has continued with share buy-backs on an opportunistic basis, taking into account the current economic climate.

Anthracite Division
Somkhele anthracite mine

Somkhele production performance	Year ended 30 June 2015	(%) change	Year ended 30 June 2014
Run of Mine (ROM) tonnes washed	3 025 567	13	2 688 563
Yield %	44.13	5	41.85
Anthracite saleable tonnes produced	1 335 233	19	1 125 089
Anthracite tonnes sold	1 222 150	19	1 026 250
Discard tonnes washed	1 374 716	17	1 174 419
Yield %	26.80	29	20.80
Energy coal saleable tonnes produced	368 413	51	244 298
Energy coal sold	352 255	102	174 556

Production of saleable anthracite increased by 19% in the year ended 30 June 2015 with improved volumes and yields.

The average prices achieved for inland sales were unchanged from those achieved in 2014. The average prices achieved on the export market reduced by 2% in 2015. 71% of Somkhele's export sales were Dollar denominated with the remaining 29% denominated in Rands. The average Dollar price of export sales reduced by 4%, but this was offset by a 9% weakening of the average exchange rate to 11.29 Rand/\$ from 10.36 Rand/\$ in 2014.

Production of saleable re-washed discard ("energy coal") increased by 51% in the year ended 30 June 2015 with improved volumes and yields being achieved as management makes design improvements to the discard processing plant.

The average at-mine-gate selling price of energy coal increased by 9% in 2015 with continued strong demand for this product.

Expansion projects division

Petmin's focus remains on the development of the NAIC pig iron project in North America.

North Atlantic Iron Corporation ("NAIC")

Following an extensive independent trade-off analysis of the various proposed sites during the year, NAIC has selected the preferred location for its first pig iron plant to be in the Canadian Province of Quebec or the US state of Ohio. Detailed engineering design and costing is now underway. The site selection process encompassed a study of 13 locations over two years. It is anticipated that the location of the first plant will have a significant cost advantage over material currently delivered to the US. In particular, it will avoid the significant costs of material movement from New Orleans to the Midwest.

Four production cases were designed and reviewed by Tenova and NAIC:

- Two production levels – 425ktpa and 850ktpa
- Two smelting furnaces – electric arc furnace ("EAF") and submerged arc furnace ("SAF")
- All cases include pre-reduction in a rotary hearth furnace ("RHF")

NAIC has made the decision to proceed with a production scenario of 425ktpa using an EAF smelter. In each case it is assumed the 425ktpa of production will be for foundry grade Merchant Pig Iron (MPI) which trades at significant premium to standard MPI. While the economics of each case presented similar IRRs, the qualitative aspects as well as the mitigation of certain risk parameters, ultimately lead to the decision to proceed on this basis.

Iron ore – South Africa (Veremo project)

Veremo still awaits the execution of the mining right for which notification of its award was received in January 2014. During the year ended 30 June 2015 additional metallurgical test work was conducted and a commercial scale campaign will be undertaken at Mogale Alloys in their 10 MW DC Arc Furnace. The Veremo ore will be smelted in their single electrode DC arc furnace to produce high purity pig iron and a titanium rich slag. The furnace will be modified and the engineering design for the modifications has been completed by GLPS Project Management Engineering Services. The arbitration proceedings against Framework Investments Limited and Kermas Limited for the payment of the three R65 million distributions payable from the Veremo project to Petmin will continue once dates have been scheduled for the arbitration hearings.

Long-term incentive scheme

As agreed at the AGM held on 22 May 2015, the proposed amendments to the share option schemes as approved at the 21 February 2014 AGM, were not implemented and a new share-based scheme was to be brought before shareholders for approval.

To account for the fact that the abovementioned share option scheme was not implemented and to compensate for the cancellation of the existing share option scheme, the Petmin Remuneration Committee and Petmin board have proposed that a new long-term share-based incentive scheme be approved, the details of which are included in Annexure 1 of this notice.

The Petmin Limited Remuneration Committee ("Remco") is considering a proposal whereby executive management and senior group management may acquire 4% of Petmin's eventual shareholding in NAIC of 40%. It is further proposed that management will also earn fee income from NAIC. These proposals are being finalised and will be brought before shareholders for approval once concluded.



PETMIN LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1972/001062/06)

JSE share code: PET ISIN: ZAE000076014

("Petmin" or "the Company")

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of the Company will be held on Monday, 15 February 2016 at 10:00 at First Floor, 37 Peter Place, Bryanston, Johannesburg ("**Registered Office**") to conduct the business referred to below. The record date in terms of section 59 of the Companies Act No 71 of 2008, as amended, (the "**Act**"), for shareholders to be recorded in the securities register of the Company in order to be able to attend, participate and vote at the annual general meeting, is Friday, 5 February 2016.

AGENDA

Ordinary business

1. **Presentation of audited annual financial statements**

The annual financial statements of the Company and its subsidiaries, together with the independent auditor's report, a report by the Audit and Risk Committee and the directors' report for the year ended 30 June 2015, are presented to the shareholders for their consideration.

A summary of the documents specified above is included on pages 30 to 37 in the integrated annual report to which this notice forms a part ("**Annual Report**") and a complete copy thereof may be obtained from the Registered Office, or alternatively, an electronic copy thereof is available on the Company's website, www.petmin.co.za.

2. **Retirement and re-election of directors**

Mr E Greyling and Mr M Arnold are obliged to retire by rotation at this annual general meeting in accordance with the Company's Memorandum of Incorporation ("**MOI**"). Having so retired, they are eligible for election as directors.

2.1 **Ordinary Resolution number 1**

"RESOLVED THAT *Mr E Greyling be and is hereby re-elected as a director of the Company.*"

The percentage of voting rights required for Ordinary Resolution number 1 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution.

The profile of the director up for re-election in terms of Ordinary Resolution number 1 is as follows:

Enrico Greyling (72)

BA (Hons) Business Economics

Enrico was a non-executive director of a number of PSG Group Ltd subsidiaries and various private companies. Until recently he was also a director of Venmyn Ltd. Prior to becoming active in the PSG Group, Enrico was a director of FBC Fidelity Bank, now part of Nedcor Ltd. He also served on the board of RMB Holdings Ltd as an executive prior to its merger with First Rand Ltd. For a time, during his career as a banker, he was a Board member of the Banking Council of South Africa.

Taking into account his past performance and contribution, the board of directors of the Company recommends the re-appointment of the abovementioned director.

2.2 **Ordinary Resolution number 2**

"RESOLVED THAT Mr M Arnold be and is hereby re-elected as a director of the Company."

The percentage of voting rights required for Ordinary Resolution number 2 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution.

The profile of the director up for re-election in terms of Ordinary Resolution number 2 is as follows:

Millard Arnold (69)

BA (Political Science), Juris Doctorate

Millard currently serves as a Senior Adviser to Bowman Gilfillan; is an Honorary Business Representative for the government of Singapore in South Africa and is the Executive Director of the South African Business Schools Association. He was formerly an Executive Director and Group Legal Counsel of Murray and Roberts. Previously, he was Executive Chairman of Black and Veatch Africa, a member of the board of directors of Bell Equipment, and under President Bill Clinton, served the government of the United States as its first Minister Counsellor of Commercial Affairs for the South Africa Region. He was also a former Deputy Assistant Secretary of State for Human Rights and Humanitarian Affairs under President Jimmy Carter, and a former journalist with the *Washington Post* newspaper.

Taking into account his past performance and contribution, the board of directors of the Company recommends the re-appointment of the abovementioned director.

3. **Appointment of KPMG Inc. as auditors of the Company**

To re-appoint KPMG Inc., as nominated by the Company's Audit and Risk Committee, as independent auditors of the Company, to hold office until the conclusion of the next annual general meeting of the Company. It is noted that the individual registered auditor who will undertake the audit during the financial year ending 30 June 2016 is Mr J Erasmus.

Ordinary Resolution number 3

"RESOLVED THAT KPMG Inc. be and are hereby re-appointed as the auditors of the Company to hold office until the conclusion of the next annual general meeting."

The percentage of voting rights required for Ordinary Resolution number 3 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution.

4. **Approval of the remuneration philosophy of the existing cash-based Petmin Limited Executive Remuneration Scheme**

To consider and approve the remuneration philosophy as contained in the report of the Remuneration Committee in the annual financial statements for the year ended 30 June 2015 (as approved at the AGM held on 22 May 2015, as set in Annexure 1 of the 2014 Notice of AGM).

Ordinary Resolution number 4

"RESOLVED as a non-binding advisory vote that the remuneration philosophy for the year ended 30 June 2015 be and is hereby approved."

Shareholders are reminded that in terms of the Code of and Report on Governance Principles for South Africa (King III), 2009, the passing of this ordinary resolution is by way of a non-binding advisory vote.

5. **Approval of the Petmin Limited Group Share Incentive Scheme**

Ordinary Resolution number 5

"RESOLVED THAT the Petmin Limited Group Share Incentive Scheme, which appears in Annexure 1 of these documents, be and is hereby approved in accordance with Schedule 14 of the Listings Requirements of the JSE Limited (JSE Listings Requirements)."

The percentage of voting rights required for Ordinary Resolution number 5 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution. However, pursuant to the Listings Requirements of the JSE, the Company will only be entitled to implement this Ordinary Resolution number 5 if it is supported by 75% (seventy-five percent) or more of the voting rights exercised on the resolution.

6. Appointment of the members of the Audit and Risk Committee

To elect, by way of separate resolutions, the following independent non-executive directors, as members of the Company's Audit and Risk Committee:

6.1 Ordinary Resolution number 6

"RESOLVED THAT Mr TD Petersen, be and is hereby re-elected as a member of the Company's Audit and Risk Committee."

The percentage of voting rights required for Ordinary Resolution number 6 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution.

6.2 Ordinary Resolution number 7

"RESOLVED THAT Mr E Greyling, be and is hereby re-elected as a member of the Company's Audit and Risk Committee."

The percentage of voting rights required for Ordinary Resolution number 7 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution.

6.3 Ordinary Resolution number 8

"RESOLVED THAT Mr M Arnold, be and is hereby re-elected as a member of the Company's Audit and Risk Committee."

The percentage of voting rights required for Ordinary Resolution number 8 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution.

The profiles of the directors up for membership appear in this notice of annual general meeting:

Trevor D Petersen (59)
BCom (Hons) CA(SA)

Trevor is a chartered accountant and is a former Managing Partner of the Cape Town office of audit firm PricewaterhouseCoopers (PwC). He also held the position of Chairman of PwC Western Cape and is the past Chairman of the South African Institute of Chartered Accountants. Trevor has also been a Member of the University of Cape Town Council since 2002. He is also a Non-Executive Director on the board of Mediclinic International Ltd as well as Media 24 (Pty) Ltd.

Enrico Greyling (72)
BA (Hons) Business Economics

Enrico was a non-executive director of a number of PSG Group Ltd subsidiaries and various private companies. Until recently he was also a director of Venmyn Ltd. Prior to becoming active in the PSG Group, Enrico was a director of FBC Fidelity Bank, now part of Nedcor Ltd. He also served on the Board of RMB Holdings Ltd as an executive prior to its merger with FirstRand Ltd. For a time, during his career as a banker, he was a board member of the Banking Council of South Africa.

Millard Arnold (69)
BA (Political Science), Juris Doctorate

Millard currently serves as a Senior Adviser to Bowman Gilfillan; is an Honorary Business Representative for the government of Singapore in South Africa and is the Executive Director of the South African Business Schools Association. He was formerly an Executive Director and Group Legal Counsel of Murray and Roberts. Previously, he was Executive Chairman of Black and Veatch Africa, a member of the board of directors of Bell Equipment, and under President Bill Clinton, served the government of the United States as its first Minister Counsellor of Commercial Affairs for the South Africa Region. He was also a former Deputy Assistant Secretary of State for Human Rights and Humanitarian Affairs under President Jimmy Carter, and a former journalist with the *Washington Post* newspaper.

As is evident from the profiles of the directors, the committee members have the required qualifications and experience to fulfil their duties and, taking into account their past performance and contribution, the board of directors of the Company recommends their re-appointment.

7. **To place the unissued shares under the control of the directors**

Ordinary Resolution number 9

"RESOLVED THAT the authorised but unissued ordinary shares in the capital of the Company be and are hereby placed under the control and authority of the directors of the Company and that the directors be and are hereby authorised and empowered to allot and issue all or any such ordinary shares, to such person(s) on such terms and conditions and with such rights and privileges attached thereto as the directors may from time to time in their discretion deem fit, subject to the provisions of the Act, as amended, the MOI, as amended from time to time, and the Listings Requirements of the JSE.

The percentage of voting rights required for Ordinary Resolution number 9 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution.

8. **To authorise general share issues for cash**

Ordinary Resolution number 10

"RESOLVED THAT the directors of the Company from time to time be and are hereby authorised, by way of a general authority, to:

- *allot and issue, or to issue any options or convertible securities in respect of, all or any of the authorised but unissued ordinary shares in the capital of the Company; and/or*
- *sell or otherwise dispose of or transfer, or issue any options in respect of, ordinary shares in the capital of the Company purchased by subsidiaries of the Company,*

for cash, to such person/s on such terms and conditions and with such rights and privileges attached thereto as the directors may from time to time in their discretion deem fit subject to the Act, as amended, the MOI, as amended from time to time, the Memoranda of Incorporation of the Company's subsidiaries, as amended from time to time, and the Listings Requirements of the JSE from time to time. In particular, the securities which are the subject of a general issue for cash may not exceed 15% of the Company's listed equity securities as at the date of this notice of annual general meeting (which will equate to an aggregate of 79 920 759 (seventy nine million nine hundred and twenty thousand seven hundred and fifty nine) ordinary shares in the Company)"

In respect of Ordinary Resolution number 10, it is recorded that the Listings Requirements of the JSE contain, *inter alia*, the following limitations:

- (a) the equity securities which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- (b) the equity securities must be issued to public shareholders, as defined in paragraph 4.25 to 4.27 of the Listings Requirements of the JSE, and not to related parties;
- (c) securities which are the subject of a general issue for cash may not exceed 15% of the Company's listed equity securities as at the date of this notice of annual general meeting, provided that:
 - the authority shall be valid for the period contemplated in paragraph 5.50(b) of the Listings Requirements of the JSE;
 - the calculation of the Company's listed equity securities must be a factual assessment of the Company's listed equity securities as at the date of the notice of annual general meeting, excluding treasury shares;
 - the specific number of shares representing the number up to 15% of the Company's listed equity securities as at the date of the notice of annual general meeting must be included as a number in the resolution seeking the general issue for cash authority;
 - any equity securities issued under the authority during the period contemplated in paragraph 5.50(b) of the Listings Requirements of the JSE must be deducted from such number in sub-point 3 above; and
 - in the event of a sub-division or consolidation of issued equity securities during the period contemplated in paragraph 5.50(b) of the Listings Requirements of the JSE, the existing authority must be adjusted accordingly to represent the same allocation ratio;
- (d) the maximum discount at which equity securities may be issued is 10% of the weighted average traded price of such equity securities measured over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE should be consulted for a ruling if the applicant's securities have not traded in such 30-business day period;

- (e) the resolution approving the general issue for cash must be approved by achieving a 75% majority of the votes cast. The resolution must be worded in such a way as to include the issue of any options/convertible securities that are convertible into an existing class of equity securities, where applicable.

Pursuant to the Listings Requirements of the JSE, the Company will only be entitled to implement this general authority to allot and issue ordinary shares for cash if this Ordinary Resolution number 10 is supported by 75% (seventy-five percent) of the voting rights exercised on the resolution."

Special business

9. General authority to repurchase shares in the Company

Special Resolution number 1

"RESOLVED as a special resolution that the Company, or any of its subsidiaries, be and they are hereby authorised, by way of a general authority, to acquire ordinary shares in the Company, subject to the provisions of the Act, and the Listings Requirements of the JSE, provided that:

- (a) the general authority in issue shall be valid only until the Company's next annual general meeting and shall not extend beyond 15 (fifteen) months from the date of this resolution;
- (b) any general repurchase by the Company and/or any of its subsidiaries of the Company's ordinary shares in issue shall not in aggregate in one financial year exceed 20% (twenty percent) of the Company's issued ordinary share capital at the time that the authority is granted. At the date of this notice, 20% of the company's issued ordinary share capital amounts to 106 561 012 (one hundred and six million five hundred and sixty one thousand and twelve) ordinary shares;
- (c) no acquisition may be made at a price more than 10% (ten percent) above the weighted average of the market price of the ordinary shares for 5 (five) business days immediately preceding the date of such acquisition;
- (d) the repurchase of the ordinary shares are effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company or its subsidiaries and the counterparty (reported trades are prohibited);
- (e) the Company or its subsidiaries may only appoint one agent at any point in time to effect any repurchase(s) on behalf of the Company or its subsidiaries;
- (f) a resolution has been passed by the board of directors of the Company or its subsidiaries authorising the acquisition, and the Company or the applicable subsidiary has passed the solvency and liquidity test as set out in section 4 of the Act and that since the application of the solvency and liquidity test by the board there have been no material changes to the financial position of the Company and its subsidiaries;
- (g) the Company or its subsidiary may not repurchase ordinary shares during a prohibited period; and
- (h) should the Company or any subsidiary cumulatively repurchase, redeem or cancel 3% (three percent) of the initial number of the Company's ordinary shares in terms of this general authority and for each 3% (three percent) in aggregate of the initial number of that class thereafter in terms of this general authority, an announcement shall be made in terms of the Listings Requirements of the JSE."

The percentage of voting rights required for Special Resolution number 1 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution.

Having considered the effect on the Company of the maximum repurchase under this annual general authority, the directors are of the opinion that:

- the Company and its subsidiaries will be able in the ordinary course of business to pay its debts for a period of 12 (twelve) months after the date of this notice of annual general meeting;
- the assets of the Company and its subsidiaries will be in excess of the liabilities of the Company and its subsidiaries for a period of 12 (twelve) months after the date of this notice of annual general meeting which assets and liabilities have been valued in accordance with the accounting policies used in the audited annual financial statements of the Company for the year ended 30 June 2015;
- the share capital and reserves of the Company and its subsidiaries will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting; and
- the working capital of the Company and its subsidiaries will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting.

The board of the Company has considered the impact of a repurchase of up to 20% (twenty percent) of the Company's shares, being within the maximum permissible under a general authority in terms of the

Listings Requirements of the JSE. Should the opportunity arise and should the directors deem it in all respects to be advantageous to the Company to repurchase such shares, it is deemed appropriate that the Company or a subsidiary be authorised to repurchase the Company's shares.

Disclosure in terms of section 11.26 of the Listings Requirements of the JSE

The Listings Requirements of the JSE require the following disclosures, which are disclosed in the audited annual financial statements and the Integrated Report as set out below:

Major shareholders [Page 28 of the Integrated Report]

Share capital [Page 40 of the AFS]

Directors' responsibility statement

The directors, whose names appear on page 20 of the Integrated Report collectively and individually accept full responsibility for the accuracy of the information pertained to this special resolution and certify to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and this special resolution contains all the information required by the Listings Requirements of the JSE.

Litigation statement

Other than as noted in the Company's annual financial statements for the year ended 30 June 2015 and further updated in a SENS announcement on 3 December 2015, the directors, whose names appear on page 20 of the Annual Report, are not aware of any material legal or arbitration proceedings that are pending or threatened, that may have or have had in the previous 12 (twelve) months a material effect on the Company's financial position.

Material change

Other than the implementation of the BEE transaction as approved by shareholders in a General Meeting held on 9 November 2015 and published on SENS on 10 November 2015, there has been no material change in the affairs of or financial position of the Company since year-end.

10. General financial assistance to related or inter-related companies

Special Resolution number 2

"RESOLVED as a special resolution, in terms of section 45 of the Act, that the Company provides at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, any direct or indirect financial assistance as contemplated in such section of the Act to any 1 (one) or more related or inter-related companies or corporations of the Company and for the avoidance of doubt will exclude financial assistance to individuals who are related parties to the Company, provided that:

- 1. the board of directors of the Company from time to time determines: (a) the recipient or recipients of such financial assistance; (b) the form, nature and extent of such financial assistance; and (c) the terms and conditions under which such financial assistance is provided; and*
- 2. the board of directors of the Company may not authorise the Company to provide any financial assistance pursuant to this special resolution unless the board meets all those requirements of section 45 of the Act which it is required to meet in order to authorise the Company to provide such financial assistance; and*
- 3. such financial assistance to a recipient thereof is, in the opinion of the board of directors of the Company, required for the purpose of: (a) meeting all or any of such recipient's operating expenses (including capital expenditure); and/or (b) funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient; and/or (c) funding such recipient for any other purpose which in the opinion of the board of directors of the Company is directly or indirectly in the interests of the Company; and*
- 4. the aggregate financial exposure of the Company in respect of any financial assistance authorised by the board of directors of the Company pursuant to this special resolution shall be unlimited."*

The percentage of voting rights required for Special Resolution number 2 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution.

11. **Financial assistance to executive director, Mr B Doig**

Special Resolution number 3

"RESOLVED as a special resolution, in terms of section 45 of the Act, that the Company provides financial assistance to Mr B Doig who is an executive director of the Company, on the following terms and conditions:

1. the Company will provide Mr B Doig with a loan of R7 500 000 (Seven million five hundred thousand Rand) "The Loan"; and
2. the Loan will bear interest at 75% of the Prime Lending rate, interest will accrue on an annual basis, will be capitalised annually in arrears and will be paid in cash annually on the anniversary of the date of the loan advance to Mr B Doig; and
3. such financial assistance to Mr B Doig is provided to assist Mr Doig to increase his direct equity holding in Petmin by way of his purchasing Petmin shares on the open market; and
4. the Loan shall be repaid in full by no later than the fifth anniversary of the date of the loan advance to Mr B Doig
5. a loan agreement will be entered into between Mr B Doig and Petmin on terms normal for such a transaction."

The percentage of voting rights required for Special Resolution number 3 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution.

12. **Increase in remuneration of non-executive directors**

Special Resolution number 4

"RESOLVED as a special resolution, in terms of section 66(9) of the Act, that the following directors' remuneration (due to the applicable directors for the services rendered by them in their capacities as such), be and is hereby approved with effect from 1 July 2015 (an increase of 5% from the current approved fees):

	2016 Proposed R	2015 Approved R
Non-executive director fees		
Fees payable for Chairman of the board of directors of the Company	R385 880	R367 500
Fees payable for the Deputy Chairman of the board of directors of the Company (previously executive director, to become non-executive from the 2015 AGM as announced on 8 September 2015)	R350 000	N/A
Fees payable to non-executive directors for holding office (per meeting held by the board or sub-committee).		
All non-executive directors	R6 064	R5 775
Fees payable to non-executive directors for holding office (annual fee payable in addition to the fee payable per meeting)		
Chairman of the Audit and Risk Committee	R60 640	R57 750
Chairman of the Remuneration Committee	R38 590	R36 750
Chairman of all other sub-committees	R29 770	R28 350
Fee for attendance of a board or sub-committee meeting (payable in addition to the fee for holding office)		
All non-executive directors	R24 310	R23 150
Chairman of the Audit and Risk Committee	R24 420	R23 260
Chairman of the Remuneration Committee	R24 230	R23 100
Consultancy fees for services that may be provided		
Hourly rate	R3 031.90	R2 887.50

The percentage of voting rights required for Special Resolution number 4 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution.

IDENTIFICATION, VOTING AND PROXIES

Ordinary shareholders are entitled to attend, speak and vote at the general meeting.

In terms of section 63(1) of the Act, any person attending or participating in the general meeting must present reasonably satisfactory identification and the person presiding at the general meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as proxy for a shareholder) has been reasonably verified.

In accordance with the Company's Memorandum of Incorporation, voting shall be by ballot only.

Shareholders holding dematerialised shares, but not in their own name must furnish their Central Securities Depository Participant ("CSDP") or broker with their instructions for voting at the general meeting. If your CSDP or broker, as the case may be, does not obtain instructions from you, it will be obliged to act in accordance with your mandate furnished to it, or if the mandate is silent in this regard, complete the form of proxy enclosed.

Unless you advise your CSDP or broker, in terms of the agreement between you and your CSDP or broker by the cut-off time stipulated therein, that you wish to attend the general meeting or send a proxy to represent you at this general meeting, your CSDP or broker will assume that you do not wish to attend the general meeting or send a proxy.

If you wish to attend the general meeting or send a proxy, you must request your CSDP or broker to issue the necessary letter of authority to you. Shareholders holding dematerialised shares, and who are unable to attend the general meeting and wish to be represented thereat, must complete the form of proxy enclosed in accordance with the instructions therein and lodge it with or mail to the transfer secretaries.

Forms of proxy (which form may be found enclosed) must be dated and signed by the shareholder appointing a proxy and should be forwarded to reach the transfer secretaries, Computershare Investor Services (Proprietary) Limited, by no later than 10:00 on Monday, 8 February 2016. Before a proxy exercises any rights of a shareholder at the general meeting, such form of proxy must be so delivered.

In compliance with the provisions of section 58(8)(b)(i) of the Act, a summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Act, is set out immediately below:

- **An ordinary shareholder entitled to attend and vote at the general meeting may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the general meeting in the place of the shareholder. A proxy need not be a shareholder of the Company.**
- **A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the general meeting.**
- **A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.**
- **The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.**
- **The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. 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 (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.**
- **If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder, must be delivered by the Company to (a) the shareholder, or (b) the proxy or proxies, if the shareholder has (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so.**

- **Attention is also drawn to the “Notes to the form of proxy”.**
- **The completion of a form of proxy does not preclude any shareholder attending the general meeting.**

By order of the board of directors of the Company

Mondial Consultants (Pty) Ltd
Company Secretary

15 January 2016

petmin

PETMIN LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1972/001062/06)

JSE share code: PET ISIN: ZAE000076014

("Petmin" or "the Company")

FORM OF PROXY

For use by certificated and dematerialised shareholders who have "own name" registration of securities at the annual general meeting to be held at 10:00 in Petmin's offices on the First Floor, 37 Peter Place, Bryanston, on 15 February 2016.

I/We (Please print full names)

of _____ (address)

Telephone (work) _____ Telephone (home) _____

Mobile number _____ Email address _____

being the holders of shares in the Company, hereby appoint (see Note 1)

1. _____ or failing him /her,

2. _____ or failing him/her,

the Chairman of the annual general meeting as my/our proxy to participate in, speak and vote for me/us on my/our behalf at the annual general meeting which will be held for the purpose of considering and, if deemed fit, passing the ordinary and special resolutions to be proposed and at each adjournment of the meeting and to vote for or against the ordinary and special resolutions or to abstain from voting in respect of the shares in the issued capital of the Company registered in my/our name/s, in accordance with the following instructions (see Note 2).

Insert an "X" or the number of shares (see Note 2)

		NUMBER OF ORDINARY SHARES		
		For	Against	Abstain
1.	Ordinary Resolution number 1 Re-election of Mr E Greyling as a director			
2.	Ordinary Resolution number 2 Re-election of Mr M Arnold as a director			
3.	Ordinary Resolution number 3 Re-appointment of KPMG Inc. as auditors of the Company			
4.	Ordinary Resolution number 4 Approval of the remuneration philosophy for the year ended 30 June 2015			
5.	Ordinary Resolution number 5 Approval of the Petmin Limited Group Share Incentive Scheme			
6.	Ordinary Resolution number 6 Re-appointment of Mr TD Petersen as a member of the Audit and Risk Committee of the Company			
7.	Ordinary Resolution number 7 Re-appointment of Mr E Greyling as a member of the Audit and Risk Committee			

		NUMBER OF ORDINARY SHARES		
		For	Against	Abstain
8.	Ordinary Resolution number 8 Re-appointment of Mr M Arnold as a member of the Audit and Risk Committee			
9.	Ordinary Resolution number 9 To place the unissued shares under the control of the directors			
10.	Ordinary Resolution number 10 To authorise general share issues for cash			
11.	Special Resolution number 1 General authority to repurchase shares in the Company			
12.	Special Resolution number 2 General financial assistance provided to related or inter-related companies			
13.	Special Resolution number 3 Financial assistance provided to executive director, Mr B Doig			
14.	Special Resolution number 4 Remuneration of non-executive directors			

(Indicate with an "X" or the relevant number of shares, in the applicable space, how you wish your votes to cast). Unless otherwise directed the proxy will vote as he/she thinks fit.

Signed at _____ on _____ 2016

Signature _____

Assisted by me (where applicable) _____

Completed forms of proxy must be lodged with Computershare Investor Services Proprietary Limited by no later than 10:00 on Monday, 8 February 2016.

Please read the notes below of this proxy form.

Notes to the form of proxy

1. A shareholder may insert the name of a proxy or the names of 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 initialled by the shareholder. The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert an "X" in the relevant space 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 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 annual general meeting as he/she deems fit in respect of all the shareholder's votes exercisable at the meeting. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
3. Forms of proxy must be received by the transfer secretaries, Computershare Investor Services (Pty) Limited ("Computershare"), 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107) by no later than 10:00 on Monday, 8 February 2016.
4. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and voting in person at the meeting to the exclusion of any proxy appointed in terms of this form of proxy.
5. 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 Computershare or waived by the Chairman of the annual general meeting.
6. Any alterations or corrections made to this form of proxy must be initialled by the signatory/ies.
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by Computershare.
8. The Chairman of the annual general meeting may accept any form of proxy which is completed other than in accordance with these notes if he is satisfied as to the manner in which the shareholder wishes to vote.

Transfer secretaries:

Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg 2011
PO Box 61051, Marshalltown 2107
Telephone: 011 370 5000
Call centre: 086 110 09818

GROUP SHARE INCENTIVE SCHEME

petmin

PETMIN LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1972/001062/06)

JSE share code: PET ISIN: ZAE000076014

("Petmin" or "the Company")

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1. INTRODUCTION

- 1.1 The purpose of the Group Share Incentive Scheme ("Scheme") is to align management's interest with those of shareholders by providing them an opportunity to participate in the equity of the Company when they advance the Group's interests, growth and profitability, and will, in addition assist the Group to attract and retain the services of such employees.
- 1.2 The Petmin Limited Remuneration Committee ("Remco") is finalising a proposal whereby the Share Trust will also be allocated, on behalf of the Participants 4% of Petmin's eventual shareholding in NAIC of 40%. This proposal is being finalised and will be brought before shareholders for approval once concluded.
- 1.3 As agreed at the AGM held on 22 May 2015, the previously approved long-term incentive scheme was not implemented and all outstanding option schemes were cancelled and were to be replaced by a new long-term incentive scheme which was to be presented to shareholders for their approval. Accordingly, this Scheme will replace all existing share option schemes, which were terminated and cancelled on 22 May 2015.
- 1.4 The Rules of the Scheme are set out hereunder.

2. INTERPRETATION AND DEFINITIONS

- 2.1 In this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:
 - 2.1.1 "the Auditors" mean the auditors for the time being of the Company;
 - 2.1.2 "Business Day" means any day other than a Saturday, Sunday or public holiday in terms of the Laws of the Republic of South Africa;
 - 2.1.3 "the Company" means Petmin Limited, Registration No. 1972/001062/06;
 - 2.1.4 "the Companies Act" means the Companies Act No. 71 of 2008;
 - 2.1.5 "the Compliance Officer" means the person appointed by the Company to act as compliance officer in terms of section 97 of the Companies Act and to act as trustee of the trust to be established for purposes of the Scheme. Such person may be an employee of the Group or a third party but may not be an executive director or Participant in the Scheme.
 - 2.1.6 "Participant" means a full-time executive director or senior management employee of any Company in the Group, nominated in terms of the provisions of the Scheme;
 - 2.1.7 "the Group" means the Company and all its subsidiaries;
 - 2.1.8 "Incentive Period" means 1 July 2014 to 30 June 2019;
 - 2.1.9 "Income Tax Act" means the Income Tax Act, 1962;
 - 2.1.10 "JSE" means the JSE Limited, Registration No. 2005/022939/06, operating a Securities Exchange licensed in terms of the Securities Services Act, 2004;
 - 2.1.11 "JSE Listings Requirements" mean the Listings Requirements of the JSE applicable from time to time to the Scheme, specifically referred to in Schedule 14 thereof;
 - 2.1.12 "non-HEPS items" mean items that are excluded from earnings in the Headline Earnings calculations as outlined in the South African Institute of Chartered Accountants Circular 2/2015;
 - 2.1.13 "Remco" means the Petmin Limited Remuneration Committee;
 - 2.1.14 Restricted Shares mean Scheme Shares referred to in clause 5.2.1 of this document;
 - 2.1.15 "the Remco" means the non-executive directors that make up the Remuneration Committee from time to time to whom the power to manage and administer the Scheme are delegated in terms of section 72 of the Companies Act by the board of directors;
 - 2.1.16 "the Scheme" means this Petmin Limited Group Share Incentive Scheme as set out in this Deed, as amended from time to time in terms hereof;
 - 2.1.17 "the Scheme Price" means R1.62 (one Rand sixty-two cents) per share, the price at which shares are issued to the trust or the participants out of Petmin's treasury shares being the weighted average price of the cost of shares held in treasury by Petmin as at 31 October 2015;

- 2.1.18 "Scheme Share" means any ordinary Share which has been granted and issued or to be issued in terms of the provisions of this scheme;
- 2.1.19 "Share" means any ordinary 25 cent par value Shares in the capital of the Company.
- 2.1.20 "Share Trust" means the trust to be established for purposes of the scheme.

2.2 Words importing:

- 2.2.1 the singular shall include the plural and *vice versa*;
- 2.2.2 any one gender shall include the other two genders;
- 2.2.3 natural persons shall include created entities (corporate and non-corporate) and the state and *vice versa*.

2.3 The clause headings in this Scheme have been inserted for convenience only and shall not be taken into consideration in its interpretation.

2.4 Any reference herein to any enactment is also a reference to that enactment as for the time being amended or re-enacted.

3. **SHARES AVAILABLE FOR THE SCHEME**

3.1 The total number of unissued Shares which may be utilised for purposes of this Scheme is 23 000 000 (twenty-three million) ordinary par value shares of 25 cents per share.

3.2 The maximum number of Shares in respect of which a Participant may hold in terms of this Scheme shall not exceed 6 600 000 of the Shares in the Scheme.

4. **ELIGIBILITY**

4.1 Participants, subject to 5.2, shall be entitled to participate in this Scheme only if and to the extent that Remco has determined they may.

4.2 The Remco in their sole discretion may from time to time by resolution resolve to which of the Participants, allocations shall be granted in terms of the Scheme. Every such resolution shall specify the name of the Participant and the number of Scheme Shares which are being allocated or granted.

4.3 Such allocation shall be granted by delivering to the Participant concerned an allocation letter and acceptance of such allocation letter by the Participant in the form annexed hereto marked "A".

4.4 The basis of awarding Scheme Shares to Participants will be on the basis of past performance by the employees and to the extent the Remco believes such Participants are key to the Group's future strategy and growth and thus the Remco wishes to incentivise such Participants and to attract new talent.

5. **THE SCHEME**

5.1 All Scheme Shares issued to Participants directly by Petmin and all shares purchased by the Share Trust from the treasury shares held by Petmin shall be granted at the Scheme Price.

5.2 As resolved by shareholders at the AGM held on 22 May 2015, all existing share option schemes for a total of 55 million share options were terminated and cancelled on 22 May 2015 and were to be replaced by a new long-term incentive scheme. Accordingly, the Remco has resolved that, subject to shareholder approval, all Option holders of the share options that were cancelled on 22 May 2015 be issued Scheme Shares under this Scheme, resulting in 10 000 000 (ten million shares) being issued to such Option holders as set out in Annexure B to this document, under the following conditions:

5.2.1 These Scheme Shares will be issued to the Participants immediately, but are subject to the restriction that they cannot be sold before 30 June 2017 ("the First Incentive Period").

5.2.2 Should the Participant leave the employ of Petmin or the relevant Petmin Group Subsidiary or Associate Company, other than in the event of death, disability, retrenchment for operational reasons or retirement, prior to 30 June 2017, Petmin will be granted a call option ("Call Option") to acquire the Restricted Shares subject to the following terms and conditions:

5.2.2.1 Should the Participant leave the employ of Petmin or the relevant Petmin Group Subsidiary or Associate Company after 30 June 2015 but before 30 June 2016,

- Petmin has the option to acquire two thirds of the Restricted Shares from the Participant or Petmin may nominate the Share Trust or a Petmin Group Subsidiary to acquire two-thirds of the Restricted Shares from the Participant;
- 5.2.2.2 Should the Participant leave the employ of Petmin or the relevant Petmin Group Subsidiary or Associate Company after 30 June 2016 but before 30 June 2017, Petmin has the option to acquire one-third of the Restricted Shares from the Participant or Petmin may nominate the Share Trust or a Petmin Group Subsidiary to acquire one-third of the Restricted Shares from the Participant;
 - 5.2.2.3 The Call Option must be exercised by the Company within 90 days of the Participant's leaving the employ of Petmin or the relevant Petmin Group Subsidiary or Associate Company and must be exercised by notice in writing to the Recipient to that effect;
 - 5.2.2.4 The purchase price payable under the Call Option ("Option Price") will be R0.01 (one cent) per Restricted Share; and
 - 5.2.2.5 The Option Price will be payable in cash within 30 (thirty) days of the date of exercise of the Call Option, upon which the Recipient will procure transfer of the relevant Restricted Shares to Petmin or its nominee within 7 (seven) days.
- 5.3 The Company will establish a Trust, of which no Participants may be Trustees, that will provide Participants, over a five-year incentive period, with an opportunity to participate in the economic benefits of the Company.
- 5.3.1 The mechanics of which are as follows:
 - 5.3.1.1 The Company will make a tax deductible contribution to the Trust annually to enable the Trust to acquire Scheme Shares earned in that year, at the Scheme Price from Petmin out of the treasury shares as set out in 5.3.2 below; or
 - 5.3.1.2 The Trust may acquire additional Scheme Shares in the open market at the prevailing market price. The Trust will hold the shares until the Shares are earned by and distributed to the Participants after the five-year incentive period.
 - 5.3.1.3 Any dividends received by the Share Trust on Scheme Shares held by the Share Trust will be immediately paid by the Trust to the Participants based on the number of allocated Scheme Shares per Participant;
 - 5.3.1.4 Initially, as soon as possible after approval of the Scheme by shareholders, the Petmin Limited executive directors (the "Exco Members") and senior Group management (current and future) nominated by Exco and approved by the Remco, – will participate in the Plan for the incentive period 1 July 2014 to 30 June 2019 ("the Participants"). These initial Scheme Shares totalling 3 million shares are not subject to performance criteria and will only be transferred to the Participants at the end of the five-year period 1 July 2014 to 30 June 2019. Should the Participant leave the employ of Petmin or the relevant Petmin Group Subsidiary or Associate Company before 30 June 2016, the entire initial allocation referred to in 5.3.1.4 ("Initial Allocation") will be forfeited. Should the Participant leave the employ of Petmin between 1 July 2016 and 30 June 2019, then the Participant will forfeit a *pro rata* portion of the Initial Allocation based on the following formula. Total time of the scheme (T) = 1 095 days. Number of days from date left employ of Petmin or the relevant Petmin Group Subsidiary or Associate Company until 30 June 2019 (L). Initial allocation (I). (N) = number of initial allocation shares to be forfeited. Formula: $N = (L)/(T) \times I$;
 - 5.3.1.5 Subsequent to the Initial Allocation as per 5.3.1.4 above, 50% of the remaining Scheme Shares (i.e. 5 million shares) will be earned subject to the achievement of the performance criteria outlined in 5.3.5 ("Performance Criteria Shares") and;
 - 5.3.1.6 The balance of the Scheme Shares remaining after the allocations referred to in 5.3.1.4 and 5.3.1.5 above (i.e. 5 million shares) will be classified as Remco Shares. These Shares are to be allocated in the sole and absolute discretion of Remco at any time during the incentive period, taking into account the requirements to incentivise new employees, to retain existing employees and to reward special achievements by Participants ("Remco Shares"). The Remco Shares plus such number of Performance Shares which have not been granted to Participants or which have been granted to Participants but have not been earned or have lapsed,

- are to be granted by the Remco, in its sole and absolute discretion, to Participants upon the recommendation of the Petmin Executive Committee ("Exco"), in order to retain and/or attract talented executives to the Petmin Group, and in respect of which the Remuneration Committee may prescribe performance criteria and vesting periods as it may deem appropriate;
- 5.3.1.7 Subsequent to the Initial Allocation, the annual allocation of the remaining incentive pool per financial year will be allocated to the respective Participants in the discretion of the Remco, after consultation with Exco.
- 5.3.2 The Trust intends to acquire up to 13 (thirteen) million shares, over a five year period, which will be awarded by Remco to the Participants in the form of Allocated Trust Units (Allocated Trust Unit being the equivalent of one Petmin Share) over the Incentive Period 1 July 2014 to 30 June 2019, based on the number of such Petmin Shares that the Participants would earn per year if the EPS and ROE targets are achieved (as outlined in 5.36 below) or based on the number of Initial Allocation Shares or Remco Shares granted during the incentive period.
- 5.3.3 After the end of the five-year period, the Trust will distribute to the Participants, for no consideration, the Petmin Shares that have been earned by the Participants based on the annually measured achievement of the targets.
- 5.3.4 Units vest and are allocated as follows:
- 5.3.5 The 5 000 000 (five million), Performance Criteria Shares in this Share Incentive Scheme are conditional and performance-based. At the commencement of the Scheme and annually as required, Participants are awarded Allocated Trust Units (each Allocated Trust Unit is the equivalent of one Petmin Share) which indicates the number of Petmin Shares that the Participant would earn at the end of the five-year period for the Performance Criteria Shares if the targets set by the board are met. However, the Petmin Performance Criteria Shares that are "earned" by way of these Allocated Trust Units are only transferred after the end of the five-year period and are dependent on the achievement of the following targets:
- 5.3.5.1 the Participants Allocated Trust Units as set out in 5.1.3.4 above is weighted 80% to the EPS target and 20% to the Return on Equity target;
- 5.3.5.2 the vesting range for the Compound Real Growth in EPS target is between the minimum threshold of 5% and the stretch target of 20% *pro rata* as set out in Table A in Annexure C;
- 5.3.5.3 the Vesting Range for the Average Real Return on Equity ("ROE") target is between the minimum threshold of 10% and the stretch target of 20% *pro rata* as set out in Table B in Annexure C;
- 5.3.5.4 the real growth in EPS means the nominal growth rate less CPI; real return on equity means the nominal return on equity less CPI. The measurement bases at 30 June 2014 for purposes of the scheme are: EPS of 14.95 cents; profit after tax (PAT) of R86.2 million (amended for non-HEPS items); and total equity of R1.169 billion.
- 5.3.6 The Allocated Trust Units for the Remco Shares are to be allocated in the sole discretion of Remco at any time during the incentive period. The Remco Shares will only be transferred to the Participants at the end of the five-year period 1 July 2014 to 30 June 2019.
- 5.3.7 The Petmin Shares that are transferred to the Participants after the five-year period are transferred for no consideration upon cancellation of the Trust Allocation Units.
- 5.3.8 Voluntary termination of employment or resignations prior to the end of the Incentive Period will result in the cancellation of the Participant's participation in the Scheme.
- 5.3.9 Involuntary termination of employment for valid reasons, including retirement, retrenchment for operational reasons or death, prior to the end of the incentive period will result in a *pro rata* participation in the Share Incentive Scheme, dependent on the reason for the termination and will be calculated in the sole discretion of the Remco.
- 5.3.10 All allocations will be adjusted *pro rata* taking into account the actual percentages achieved of each criteria and will be calculated in the sole discretion of the Remco.
- 5.4 All Trust Allocation Units and Shares allocated are personal to and only capable of being accepted by the relevant Participant or the executor of a deceased estate of the Participant concerned.

- 5.5 No Participant may sell or otherwise dispose of, transfer, cede or pledge or otherwise encumber any Scheme shares granted to him in terms of the Scheme until such time as all restrictions on those Scheme Shares have been released.
- 5.6 This Scheme shall lapse as contemplated in clauses 5.3.7 or as soon as practicable after 30 June 2019 when the Share Trust has been settled.
- 5.7 In the event of the Scheme Shares allocated to a participant cannot subsequently be issued to such Participant for any reason whatsoever or a Participant cannot or does not take up his allocation, such Scheme Shares will revert to the Scheme Trust to be available to be re-allocated to other Participants in terms of the Scheme rules. Any surplus Scheme Shares remaining unallocated when the Scheme lapses will be acquired by Petmin or a Petmin Group subsidiary company at the cost of those shares to the Share Trust.

6. ISSUE OF SCHEME SHARES

- 6.1 As soon as the Remco receive the Participant's notice of acceptance of the Scheme Shares or Trust Allocation Units, they shall procure that:
 - 6.1.1 the appropriate board resolutions are passed by Petmin or the relevant Petmin Group subsidiary company authorising the issue of the Shares or the sale of Shares to the Trust where relevant;
- 6.2 The Shares issued in respect of the Scheme are fully paid, rank *pari passu* with the existing Shares and shall be entitled to all rights, including the right to vote and to receive dividends, except that any Shares held by the Trust will be ineligible to vote in certain circumstances as determined by the JSE Listings Requirements, until such time as they have been transferred from the Trust to the Participants. Any dividends received in respect of Shares held by the Trust on behalf of Participants for allocated Trust Units, will be received on behalf of the Participants and said dividends will immediately be paid by the Trust to the Participants in the same ratio as the number of Trust Units held by the Participants at the time of the dividend payment.

7. ADJUSTMENTS ON REORGANISATION OF COMPANY OR SHARE CAPITAL

- 7.1 If the Company, at any time subdivides or consolidates its Shares or in the event of a capitalisation issue, a special dividend, a rights issue or reduction of capital, in terms of the JSE Listings Requirements adjustments must be made to:
 - 7.1.1 the number of Shares that may be utilised in terms of 3.1 and 3.2; and
 - 7.1.2 the amount payable by the Scheme Trust with regard to the Scheme Price; andsuch adjustments must give a Participant the same proportion of Scheme Shares in the equity capital of the Company as that to which he was previously entitled and the Auditors must confirm to the JSE, in writing, that the adjustment has been made in accordance with the provisions of the Scheme and the JSE Listing Requirements. Such written confirmation must be provided to the JSE at the time that any such adjustment is finalised.
- 7.2 If the Company is placed in liquidation, the Scheme and any Petmin Shares that have been issued and allocated on the date of liquidation shall rank *pari passu* with the existing Shares and shall be entitled to all rights as all Petmin ordinary shareholders and Scheme allocations that have not been issued or allocated at the date of liquidation, shall *ipso facto* lapse from the date of liquidation. For the purposes hereof "date of liquidation" shall mean the date upon which any application (whether provisional or final) for the liquidation of the Company is lodged at the relevant court.

8. MERGERS, TAKE-OVERS OF THE COMPANY AND CORPORATE ACTIONS

- 8.1 If an offer is made or a scheme of arrangement proposed by virtue of which control of the Company (control meaning the ability to vote at least 50% plus one share of the ordinary share capital of the Company whether acting alone or in concert with other shareholders) would pass to another person or company, the Trust will participate as a normal shareholder in such an offer;
- 8.2 If control of the Company passes to another person or company as a result of a take-over or reconstruction or merger which makes provision for Participants to be granted shares or other

financial instruments in the acquirer in respect of the Scheme to be issued by such other person or in such other company on terms, in the opinion of the Auditors (acting as experts and not as arbitrators and whose decision shall be final and binding), not less favourable than those on which the Participants are entitled to in accordance with the Scheme rules and their Scheme Allocation (taking into account any rights issues), the Participants shall be obliged to accept shares or financial instruments in such other company on such terms *in lieu* of the existing Scheme.

9. **DISPUTES**

Any dispute arising under the Scheme shall be referred to the Auditors (acting as experts and not as arbitrators) whose decision shall be final and binding on all parties to the dispute.

10. **AMENDMENTS**

10.1 This Scheme may be amended from time to time by the Remco but:

10.1.1 if so required, the consent of the JSE shall be obtained;

10.1.2 no amendment in respect of the following matters shall operate unless such amendment has received the approval of the equity shareholders of the Company passing an ordinary resolution (requiring a 75% majority of the votes cast in favour of such resolution by all equity shareholders present or represented by a proxy at the general meeting to approve such resolution), excluding all the votes attaching to all equity Shares owned or controlled by existing Participants in the Scheme or all Shares held by the Trust, namely:

10.1.2.1 the category persons who may become Participants under the Scheme;

10.1.2.2 the number of Shares which may be utilised for the purposes of the Scheme;

10.1.2.3 the fixed maximum number of Shares for any one Participant;

10.1.2.4 the calculation of the Scheme Price;

10.1.2.5 amendments to the provisions of clauses 3, 4, 5, 6, 7 and 8;

10.1.2.6 the voting, dividend, transfer and other rights, including those arising on a liquidation of the issuer, attaching to the securities and to any Scheme Shares;

10.1.2.7 the basis upon which awards are made;

10.1.2.8 the treatment of Scheme Shares (vested and unvested) in instances of mergers, takeovers or corporate actions; and

10.1.2.9 the rights of participants who leave the employment of the Group whether by termination, resignation, retirement or death insofar as their early departure from the Scheme is concerned.

10.2 Subject to the provisions of clause 10.1, if it should become necessary or desirable, by reason of the enactment of any new Act or regulation at any time after the signing of the Scheme rules, to amend the provisions of the Scheme rules so as to preserve the substance of the provisions contained herein, but only to amend the form so as to achieve the objectives embodied herein in the best manner having regard to such new legislation, the Remco may amend the Scheme rules accordingly but without causing prejudice to the Participants concerned.

11. **DISCLOSURE IN ANNUAL FINANCIAL STATEMENTS**

The Company shall disclose in its annual financial statements:

11.1 the number of Shares reserved for the Scheme;

11.2 the number of Scheme Shares granted to Participants which have yet to be distributed by the Trust;

11.3 the number of Scheme allocations made during such financial year;

11.4 all adjustments made in terms of clause 7 during such financial year;

11.5 such other disclosures as may be required in terms of the JSE Listings Requirements and the International Financial Reporting Standards from time to time.

12. ISSUE OF SHARES TO ANY PARTY

Over and above the Scheme Shares granted in terms of this Scheme, the Company shall be entitled at any time in the ordinary course of business to allot ordinary shares and issue new ordinary shares to any party, including but not limited to the issue of equity securities as consideration for an acquisition, the issue of securities for cash and the issue of securities for a vendor consideration placing, on such terms and conditions as the board of directors, JSE Listings Requirements and shareholders may determine. The Participants (nor their representatives nor their successors-in-title) shall have no right to any action of whatsoever nature (including an action based on alleged oppressive or unfairly prejudicial conduct of a minority shareholder) arising from any such issue of Shares to any party.

13. DUTIES OF THE COMPLIANCE OFFICER AND TRUSTEE OF THE TRUST

13.1 The Compliance Officer shall be accountable to the directors of the Company.

13.2 In terms of section 97(2) of the Companies Act, the Compliance Officer:

13.2.1 is responsible for the administration of the Scheme;

13.2.2 must provide a written statement to any employee who receives a Scheme allocation in terms of the Scheme, setting out:

13.2.2.1 full particulars of the nature of the transaction, including the risks associated with it;

13.2.2.2 information relating to the Company, including its latest annual financial statements, the general nature of its business and its profit history over the last three years; and

13.2.2.3 full particulars of any changes that occur in respect of any information provided in terms of 13.2.2.1 and 13.2.2.2;

13.2.3 must file a certificate with Companies and Intellectual Property Commission within 60 business days after the end of each financial year, certifying that the Compliance Officer has complied with the obligations in terms of section 97 of the Companies Act during the past financial year.

14. TRADING AND ISSUE OF SHARES ON BEHALF OF THE SCHEME

14.1 The Trust may purchase Shares through the market in order to satisfy obligations in terms of this scheme and such Shares purchased shall not be taken into account when calculating the number of Shares utilised by this Scheme.

14.2 The Trust may only transfer Shares to the Participant on behalf of the Scheme:

14.2.1 once the employment of a Participant has been terminated or the Participant is deceased; or

14.2.2 once the rights of ownership have vested in the Participant.

14.3 The Company may only issue Shares and the Trust may only purchase Shares on behalf of the Scheme once a Participant or group of Participants to who they will be allocated, has been formally identified.

14.4 The Trust may not trade in any shares through the market during a closed period or prohibited period.

Signed on behalf of the Company at _____ this _____ day of _____ .

As witnesses:

1. _____ Chairman of the meeting

2. _____

ALLOCATION LETTER

We, Petmin Limited, Registration No. 1972/001062/06, do hereby grant you the right to participate in the Company Share Incentive Scheme on the following terms and conditions:

1. This grant, if exercised, will entitle you to (specify) Scheme Units in the capital of the Company.
2. You will be obliged to adhere strictly to the terms of the Petmin Limited Group Share Scheme, a copy of which has been made available to you.
3. You may not sell or otherwise dispose of, transfer, cede or pledge or otherwise encumber any Scheme Share/Unit allocated to you.
4. If you wish to accept your Scheme allocation, you may do so only in writing within the period of 30 days from the Scheme Date, which may not be during a closed or prohibited period as defined by the JSE Listings Requirements, and you must sign such written exercise and deliver it to the Company's Remuneration Committee ("the Remco").
5. An allocation will lapse in the circumstances set out in clause 5.3.8 of the Scheme rules to which you should pay particular attention.

Signed at (place) on this

(day, month, year)

For: Petmin Limited

LIST OF EX-OPTION HOLDERS RECEIVING SHARES AS PER PARAGRAPH 5.2

Jan du Preez	2 131 148
Bradley Doig	2 622 951
Bruce Tanner	1 557 377
Group management	3 688 524
Total	10 000 000

VESTING RANGES OF PERFORMANCE SHARES

Table A: Vesting range – Compound real growth in EPS

Vesting range (<i>pro rata</i> between levels):	
Growth in real EPS	% of EPS performance shares earned
<5%	0
10%	80
15%	90
>20%	100

TABLE B: Vesting range – Average real return on equity (ROE)

Vesting range (<i>pro rata</i> between levels):	
Average real return on equity	% of ROE performance shares earned
<10%	0
15%	80
>20%	100