

**Notice of Annual General Meeting
to be held at First Floor, 37 Peter Place,
Bryanston, Johannesburg
at 10:00 on Wednesday,
27 January 2010**

Developing projects into high-yielding, cash-generative assets



petmin



Notice of annual general meeting

If you are in doubt as to what action you should take arising from the following resolutions, please consult your stockbroker, banker, attorney, accountant or other professional adviser immediately.

Notice is hereby given

That the annual general meeting of Petmin Limited will be held at First Floor, 37 Peter Place, Bryanston, Johannesburg at 10:00 on **Wednesday, 27 January 2010** for the following purposes:

Ordinary resolutions

1. To receive, consider and, if deemed fit, adopt the audited annual financial statements of the company for the year ended 30 June 2009, as reflected in the annual report incorporated herein.
2. To authorise the directors to determine the remuneration of the Company's auditors.
3. To approve the directors' remuneration for the year ended 30 June 2009.
4. To appoint the Company's auditors.
5. To re-appoint Mr J Strijdom as a director. (A brief CV of Mr Strijdom appears on page 4 of the annual financial statements)
6. To re-appoint Mr A Martin as a director. (A brief CV of Mr Martin appears on page 3 of the annual financial statements)
7. To re-appoint Mr J Taylor as a director. (A brief CV of Mr Taylor appears on page 4 of the annual financial statements)
8. To approve the remuneration of the chairman and non-executive directors of the Company for the year ending 30 June 2010 as set out below:

8.1 Chairman of the Board of Directors

Attendance fee per Board meeting: R25,000.00

For holding office (per meeting): R10,000.00

8.2 Board member

Attendance fee per meeting: R15,000.00

For holding office (per meeting): R5,000.00

8.3 Chairman of all sub-committees

Attendance fee per meeting: R15,000.00

For holding office (per meeting): R5,000.00

8.4 Members of sub-committees

Attendance fee per meeting: R10,000.00

For holding office (per meeting): R5,000.00



To consider, and if deemed fit, to pass, with or without modification the following ordinary resolution:

9. Ordinary resolution No. 9

“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 at such times as the directors may from time to time in their discretion deem fit, subject to the provisions of the Companies Act, 1973 (Act 61 of 1973), as amended, the Articles of Association of the Company and the Listings Requirements of the JSE.”

10. Ordinary resolution No. 10

“That the directors of the Company and/or any of its subsidiaries from time to time be and are hereby authorised, by way of a general authority, to:

- allot and issue, or to issue any options 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 at such times as the directors may from time to time in their discretion deem fit, subject to the Companies Act (Act 61 of 1973), as amended, the Articles of Association of the Company and its subsidiaries and the Listings Requirements of the JSE from time to time, which currently provide, inter alia, the following limitations:

- the 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;
- any such issue may only be made to public shareholders as defined in the JSE Listings Requirements and not to related parties;
- added to those that may be issued in future (arising from the conversion of options/convertibles) at the date of such application, less any ordinary shares issued or to be issued pursuant to a rights issue which has been announced, is irrevocable and is fully underwritten, or an acquisition which has had final terms announced;
- this general authority will be valid until the earlier of the Company’s next annual general meeting or expiry of a period of 15 (fifteen) months from the date that this authority is given;
- in determining the price at which an issue of ordinary shares may be made in terms of this authority, the maximum discount permitted will be 10% (ten per cent) of the weighted average traded price on the JSE of the ordinary shares over the 30 (thirty) business days prior to the date that the price of the issue is determined or agreed to by the directors of the Company;
- whenever the Company wishes to use ordinary shares, held as treasury stock by a subsidiary of the Company, such use must comply with the JSE Listings Requirements as if such use was a fresh issue of ordinary shares; and
- approval for the general issue for cash resolution is achieved by a 75% majority of the votes cast in favour of such resolution by all equity securities holders present or represented by proxy at the annual general meeting convened to approve such resolutions. The resolution must be worded in such way as to include the issue of any options or convertible securities that are convertible into an existing class of equity securities, where applicable.

Securities which are the subject of general issues for cash:

- in the aggregate in any one financial year may not exceed 15% of the Company’s relevant number of equity securities in issue of that class;
- of a particular class, will be aggregated with any securities that are compulsorily convertible into securities of that class, and in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible;
- as regards the number of securities which may be issued (the 15% number), this shall be based on the number of securities of that class in issue added to those that may be issued in future (arising from the conversion of options/convertible securities) at the date of such application;
- less any securities of the class issued, or to be issued in future arising from options/convertible securities issued, during the current financial year;

Notice of annual general meeting (continued)

- plus any securities of that class to be issued pursuant to:
 - a rights issue which has been announced is irrevocable and is fully underwritten; or
 - an acquisition (which has had final terms announced) may be included as though there were securities in issue at the date of application.

After the Company has issued equity securities in terms on an approved general issue for cash representing, on a cumulative basis within a financial year, 5% or more of the number of equity securities in issue prior to that issue, the Company shall publish an announcement containing full details of the issue, including:

- the number of securities issued;
- the average discount to the weighted average traded price of the equity securities over the 30 days prior to the date that the price of the issue was determined or agreed by the directors of the company; and
- the effects of the issue on net asset value per share, net tangible asset value per share, earnings per share, headline earnings per share, and, if applicable, diluted earnings and headline earnings per share.

In respect of options and convertible securities granted/issued for cash:

- where options or convertible securities, excluding executive and staff share schemes, are granted/issued for cash, such options/convertible securities issued other than to existing holders of equity securities in proportion to their existing holdings, will be permitted in respect of a specific issue of such options/convertible securities provided specific approval is obtained for such grant/issue in terms of the Listings Requirements; and
- if the discount to the market price at the time of exercise of the option or conversion of the convertible security is not known at the time of grant/issue of the option or convertible security, or if it is known that the discount will exceed 10% of the 30-day weighted average traded price of the security at the date of exercise, then the grant/issue will be subject to the issuer providing its holders of securities with a fairness opinion complying with Schedule 5 of the JSE Listings Requirements.

The reason for ordinary resolution No.10 is to enable the Company to raise funds for various projects during the year as and when required and as allowed by the JSE Listings Requirements.

11. Ordinary resolution No. 11

“That any director of the Company or the company secretary be and hereby is authorised to perform all such activities and sign all such documents issued by the Company and required to give effect to the Ordinary Resolution Nos. 1 to 11 and the Special Resolutions Nos. 1 to 4.

To transact such other business that may be transacted at an annual general meeting.”

To consider, and if deemed fit, to pass, with or without modification the following special resolutions:

In terms of the JSE Listings Requirements, Special Resolutions Nos. 1 to 4 must be passed by a 75% majority of the votes cast in favour of the resolution by all members present or represented by proxy at the annual general meeting.

Special resolutions

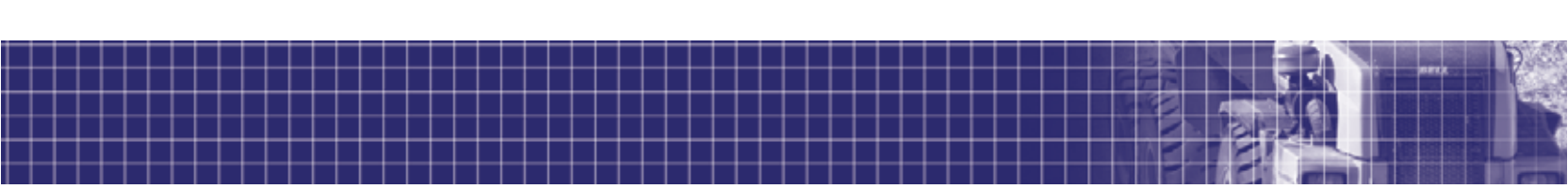
Authority to give financial assistance in terms of section 38(2a) of the Companies Act, no 61 of 1973, as amended ("Companies Act"), and specific authority to repurchase shares in terms of section 85 of the Companies Act and section 5.69 of the JSE Listings Requirements.

Financial assistance

Introduction

Dark Capital (Proprietary) Limited ("Dark Capital") is Petmin's preferred black economic empowerment ("BEE") partner and to this end Petmin has agreed to assist Dark Capital in restructuring its financing structures originally put in place in order inter alia to acquire ordinary shares in Petmin ("Petmin Shares"). (See the black economic empowerment support section in Chairman's Letter on page 14 of the annual review.)

In order to refinance its debt relating to the original acquisition of Petmin shares, which was financed for Dark Capital by Investec and Sanlam, Dark Capital has entered into a financing facility of R82 million ("SBSA Facility") with The Standard Bank South Africa Limited ("SBSA") comprising a capital advance of up to R60 million, which will be utilised to replace R35 million of the financing facilities with Investec and Sanlam and R25 million to settle other obligations, together with capitalised interest thereon. Petmin has agreed to stand surety for the obligations of Dark Capital under this facility and to this end shareholders are requested to authorise, in terms of section 38(2A) of the Companies Act, the provision by Petmin of financial assistance to Dark Capital.



Petmin and Dark Capital have also entered into a relationship and pledge and cession agreement ("Relationship and Pledge and Cession Agreement") in terms of which:

1. Dark Capital has agreed that the proceeds of the SBSA Facility will be used to settle amounts due to Petmin and third party funders only.
2. Dark Capital will pledge to Petmin 45 million Petmin Shares ("Pledged Shares") as security for Dark Capital's obligations to Petmin in the event that Petmin becomes obliged to pay any amount to SBSA under the suretyship.
3. Dark Capital may notify Petmin that it wishes to sell up to 20 million Petmin Shares ("Placement Shares"), upon which Petmin, either on its own or through a subsidiary, may repurchase the relevant Placement Shares in terms of sections 85 or 89, respectively, of the Companies Act, at the 30 day volume weighted average price ("VWAP") of the Petmin Shares, which calculation date will only be determined at the end of year 3 of the term loan agreement with SBSA and then only if Dark Capital defaults on its repayment, calculated from the day that Petmin receives default notice from SBSA, or may use commercially reasonable endeavours to place the relevant Placement Shares with selected institutional investors or other third parties, approved by Petmin, at the highest price reasonably achievable. 70% of the proceeds arising from any such sale must be used by Dark Capital to settle any remaining balance due to third party funders.
4. Dark Capital has pledged 75 million Petmin Shares ("Lock-In Shares") as security for its remaining obligations to Investec and Sanlam. To the extent that these Lock-In Shares are unencumbered or the pledgee wishes to dispose of them, Dark will offer such Lock-In Shares or procure that such Lock-In Shares will be offered to Petmin, which either on its own or through a subsidiary, may repurchase the relevant Lock-In Shares in terms of sections 85 or 89, respectively, of the Companies Act and the JSE Listings Requirements, at the 30 day VWAP of the Petmin Shares and subject to further shareholder approval, or may use commercially reasonable endeavours to place the relevant Lock-In Shares with selected institutional investors or other third parties, approved by Petmin, at the highest price reasonably achievable. At the time of such repurchase by Petmin, the Company will comply with all JSE Listings Requirements and if applicable will seek authority from shareholders under the relevant JSE Listings Requirements for related party transactions.
5. Dark Capital is obliged to remain a black owned company, as defined in the Mining Charter, while Petmin's suretyship remains in place.
6. Should it become necessary for Petmin to realise its security against Dark Capital, it will have the right on its own or through a subsidiary, to either repurchase only the Pledged Shares in terms of sections 85 or 89, respectively, of the Companies Act, at the 30 day VWAP of the Petmin Shares; any excess recovery will be returned to Dark Capital and any shortfall will be paid by Dark Capital. Petmin will seek permission from its shareholders to repurchase the placement and Lock in Shares as and when required.

Relationship Agreement and Pledge and Cession of Shares

Conditions precedent:

Sanlam and Investec have between them released from pledge the released shares and delivered such shares to Dark Capital.

Right of first refusal:

Shareholders are further advised that –

Petmin has identified Dark Capital as its preferred BEE partner and it has therefore agreed to grant to Dark Capital a right of first refusal in relation to any BEE Transaction that Petmin intends entering into.

Petmin hereby undertakes to Dark Capital that, in the event that Petmin intends entering into any BEE Transaction, Petmin shall notify Dark Capital in writing of the proposed BEE Transaction in such format and level of detail as Petmin (acting reasonably) considers sufficient in the circumstances and offer to Dark Capital that it participates in the BEE Transaction ("BEE Offer").

The BEE Offer shall be open for acceptance in writing by Dark Capital for a period of 10 (ten) business days. Should Dark Capital accept the BEE Offer in writing within the 10 (ten) business day period, the parties shall negotiate in good faith in an attempt to reach formal agreement upon the terms and conditions of Dark Capital's participation in the BEE Transaction within a further period of 20 (twenty) business days.

Should Dark Capital fail to accept the BEE Offer in writing within the 10 (ten) business day period, or should the parties fail to reach formal agreement upon the terms and conditions of Dark Capital's participation in the BEE Transaction within a further period of 20 (twenty) business days. Petmin shall be free to identify and approach another BEE partner to participate in the BEE Transaction, provided that the terms and conditions of such other BEE partner's participation in the BEE Transaction shall be no more favourable to such BEE partner as the terms and conditions offered to Dark Capital.

The above will comply with all JSE Listings Requirements and if applicable Petmin will seek authority from shareholders under the relevant JSE Listings Requirements for related party transactions.



Notice of annual general meeting (continued)

1. Special resolution No. 1

"RESOLVED THAT the terms upon which the Company will grant financial assistance to Dark Capital ("Dark Capital") in connection with the medium-term loan facility in an amount of R82,000,000.00 (eighty two million rand) ("Facility"), comprising an advance of up to R60,000,000.00 (sixty million rand) together with capitalised interest thereon, to be granted to Dark Capital by SBSA, a portion of which Facility will be applied by Dark Capital to repay certain debt incurred by Dark Capital in order to purchase and/or subscribe for shares in the Company, by the Company giving a suretyship in favour of SBSA for the obligations of Dark Capital under the Facility, be and are hereby sanctioned in terms of section 38(2A) of the Companies Act, No 61 of 1973, as amended."

Reason for and effect of special resolution number 1

The reason for the special resolution is that the granting by the Company of financial assistance for the purpose of or in connection with a purchase of or subscription for shares in the Company is prohibited unless, inter alia, the terms upon which the assistance is to be given have been sanctioned by a special resolution of the members of the Company. The effect of the special resolution will be that the Company is authorised to grant financial assistance to Dark Capital upon the terms set out in the special resolution.

Repurchase of shares

Introduction

The board of directors of Petmin seeks authority, either on its own or through a subsidiary, to repurchase from Dark Capital, at the 30 day volume weighted average price ("VWAP") of the Petmin Shares, all or some of the Pledged Shares in terms of sections 85 or 89, respectively, of the Companies Act. The total number of Petmin Shares for which authority to repurchase is being sought is 45 million Petmin Shares, representing 8.3 % of the total issued share capital of Petmin as at the date of this Annual Report.

2. Special resolution No. 2

"RESOLVED THAT the Company be and is hereby authorised, either on its own or through a subsidiary of the Company, as a specific authority in terms of section 85 or 89, respectively, of the Companies Act, No. 61 of 1973, as amended, and in terms of article 44.9 of the Articles of Association of the Company, to repurchase up to 45 million ordinary shares in the Company from Dark Capital, at the 30 day VWAP per share at the time of the repurchase, which calculation date will only be determined at the end of year 3 of the term loan agreement with SBSA and then only if Dark Capital defaults on its repayment, calculated from the day that Petmin receives default notice from SBSA."

Reason for and effect of special resolution number 2

The reason for the passing of the special resolution is to enable Petmin, either on its own or through a subsidiary, to implement a specific repurchase of up to 45 million Petmin Shares held by Dark Capital in the event that it becomes entitled to acquire such Petmin Shares in terms of the Relationship and Pledge and Cession Agreement. The effect of the passing of the special resolution is that, at the appropriate time, these Petmin Shares may be repurchased by either the Company or a subsidiary from Dark Capital. If these shares are acquired by Petmin (as opposed to a subsidiary of Petmin) they will be cancelled, on receipt by the Company, and restored to authorised share capital.

At the time that the contemplated repurchases take place, the directors of the Company will ensure that for a period of twelve months after the date of the repurchase:

- the Company and its subsidiaries will be able to pay their debts as they become due in the ordinary course of business;
- the assets of the Company and its subsidiaries ("the Group") will be in excess of the liabilities of the Group. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements;
- KPMG has given and has not withdrawn its written consent to the issue of this annual report, containing the reporting accountant's report included as Annexure 1 to this notice, in the form and context in which it appears;

- the issued share capital and reserves of the Group will be adequate for the purpose of the business of the Group;
- the working capital available to the Group will be sufficient for the Group's ordinary business requirements;
- the Company will provide its sponsor and the JSE with all relevant documentation as required in Section 25 of the JSE Listings Requirements, and will not commence any repurchase programme until the sponsor has signed off on the adequacy of its working capital, advised the JSE accordingly and the JSE has approved this documentation;
- in terms of sub-paragraph (8) of Section 85 of the Act, any Petmin shares acquired by the Company will be cancelled and restored to the status of authorised shares;
- the Company will comply with the minimum shareholder spread requirements; and
- the Company will ensure that the repurchases contemplated herein will not take place during a prohibited period as described in the JSE Listings Requirements.

The effect on the basic earnings per share, headline earnings per share and net asset value per share if the shares in terms of special resolution number 2 were to be repurchased, is illustrated in the accompanying table.

The table sets out the pro forma financial effects of the transaction, based on Petmin's published audited results for the year ended 30 June 2009. The financial effects are presented for illustrative purposes only and because of their nature may not give a fair reflection of the company's results, financial position and changes in equity after the transaction.

It has been assumed for purposes of the pro forma financial effects that the transaction took place with effect from 1 July 2008 for income statement purposes and 30 June 2009 for balance sheet purposes. The directors of Petmin are responsible for the preparation of the financial effects. The pro forma financial effects should be read in conjunction with the reporting accountants' report thereon and the full pro formas.

	Before ¹	Repurchase ² of shares	Pro Forma after ³	% Change ⁴
Basic earnings per ordinary share (cents)	21.86	1.15	23.01	5.3%
Headline earnings per share (cents)	22.29	1.19	23.48	5.3%
Weighted number of shares in issue	541,354,350	(45,000,000)	496,354,350	(8.3%)
Net asset value per share (cents)	205.51	2.10	207.61	1.0%
Total shares in issue at 30 June 2009	544,538,188	(45,000,000)	499,538,188	(8.3%)

Notes:

1. This column represents the "Before" financial information, which has been extracted, without adjustment, from the published audited consolidated results of Petmin for the twelve months ended 30 June 2009.
2. This column reflects the effect of the repurchase by Petmin of the 45 million Pledged Shares for R82 million.
3. This column reflects the effect after the repurchase by Petmin of the Pledged Shares.
4. This column reflects the percentage change the above transaction has on the performance per ordinary shares of Petmin.

The assumptions used above are:

- earnings remain constant;
- all shares for which authority to repurchase is being sought are repurchased at R1,82 per share;
- the repurchases will be funded by the settlement of the liability to SBSA referred to above;
- no adjustments have been made for interest nor taxation effects.

Copies of all relevant original expert content letters will be available for inspection at the registered office of the Company for a period of 21 days prior to the annual general meeting. The direct costs relating to the corporate action contemplated in this special resolution consist of JSE documentation fees of R15,925.80 and reporting accountants' report fees of R30,000.

All of the shares held by Dark Capital and any of its associates are excluded from voting on special resolution number 2 at the annual general meeting. To pass the special resolution, 75% of shareholders present in person, by representation or by proxy (excluding all shares held by Dark Capital and any of its associates) and eligible to vote at the meeting must vote at in favour of the passing of special resolution number 2. The Company undertakes not to repurchase any of the shares during a closed period.

Notice of annual general meeting (continued)

Other disclosure in terms of the JSE Listings Requirements Section 11.23

The JSE Listings Requirements require the following disclosures, of which this notice forms part:

- Directors and management – pages 1 to 4.
- Major shareholders of Petmin – page 7.
- Directors' interest in securities – page 14.
- Share capital of the Company – page 12.

Litigation statement

The Company is not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

Directors' responsibility statement

The directors, whose names are given on page 13 of the annual financial statements, collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution and certify that, 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 that this resolution contains all information required by law and the JSE Listings Requirements.

The full names and addresses of the directors of Petmin and its subsidiaries are set out below:

Directors: Petmin Limited		Business address
Jan Christoffel du Preez	Chief Executive Officer	37 Peter Place, Bryanston, Johannesburg, 2021
Bradley Barry Doig	Chief Operating Officer	37 Peter Place, Bryanston, Johannesburg, 2021
Bruce Philip Tanner	Financial director	37 Peter Place, Bryanston, Johannesburg, 2021
Lebogang Mogotsi	Executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Pieter Johannes Nel	Chairman	37 Peter Place, Bryanston, Johannesburg, 2021
Johannes Adam Strijdom	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Alwyn Reginald Martin	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
John Leslie Taylor	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Enrico de Villiers Greyling	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Ian David Cockerill	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Tendele Coal Mining		
Mark Richard Snelling	Executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Ngweditswele Philemon Mabilo	Executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Bruce Philip Tanner	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Bradley Barry Doig	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
SamQuarz (Pty) Ltd		
Johannes Jacobus Gloy	Executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Lebogang Mogotsi	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Petmin Logistics (Pty) Ltd		
Bruce Philip Tanner	Executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Bradley Barry Doig	Executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Lebogang Mogotsi	Executive director	37 Peter Place, Bryanston, Johannesburg, 2021
Henrique Jose Somma De Barros Pinheiro	Non-executive director	37 Peter Place, Bryanston, Johannesburg, 2021

Material change

Other than the facts and developments reported on in the annual report, there have been no material changes in the affairs or financial position of Petmin since the auditors signed off on the financials.

Financial effects of special resolution 2 to be presented at the Annual General Meeting to be held on 27 January 2010 (refer to Annexure 1 attached for details).

3. Special resolution No. 3

“Resolved that the directors of the Company be and are hereby authorised by way of general authority, to repurchase ordinary shares in the issued share capital of the Company from time to time, subject to the Articles of Association of the Company, the provisions of Sections 85 to 89 of the Companies Act (1973) as amended, and in terms of the JSE Limited listing requirements, when applicable, and

- any such repurchase shall be implemented on the open market of the JSE and effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter- party;
- the Company is authorised thereto by way of its Articles of Association;
- any such repurchase may not be made at a price higher than 10% above the weighted average market value for the shares for the five business days preceding the date on which the repurchase was agreed;
- the general authority is limited to a maximum of 20% of the Company’s issued share capital of that class at the time the authority is granted;
- a press announcement giving full details of such acquisitions, including the impact on net asset value and earnings per share, will be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue at the time of the granting of the general authority;
- the general authority shall only be valid until the Company’s next annual general meeting, provided that it shall not extend beyond 15 months from the date of passing of this Special Resolution No. 1;
- the Company will be in a position to repay its debt in the ordinary course of business for the next 12 months;
- the ordinary capital and reserves of the Company will be adequate for the next 12 months;
- available working capital will be adequate to continue the operations of the Company and the Group for the next 12 months;
- the Company may not enter the market to proceed with the repurchase until the Company’s sponsor, River Group, has confirmed the adequacy of the Company’s working capital for the purposes of undertaking a repurchase of shares in writing to the JSE;
- the Company may only undertake a repurchase of securities if, after such repurchase, it still complies with paragraphs 3.37 to 3.41 of the JSE Listings Requirements concerning shareholder spread;
- the Company may not repurchase securities during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements;
- the Company may only appoint one agent to effect any repurchase(s) on its behalf;
- a repurchase of securities can only be made if the assets of the Company will be in excess of the liabilities of the Company for a period of 12 months after the date of the notice of the annual general meeting. For this purpose the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements.

Other disclosure in terms of the JSE Listings Requirements Section 11.26

The JSE Listings Requirements require the following disclosures of which this notice forms part:

- Directors and management – pages 1 to 4.
- Major shareholders of Petmin – page 7.
- Directors’ interest in securities – page 14.
- Share capital of the Company – page 12.

Litigation statement

The Company is not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group’s financial position

Directors’ responsibility statement

The directors, whose names are given on page 13 of the annual financial statements, collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution and certify that, 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 that this resolution contains all information required by law and the JSE Listings Requirements.

Notice of annual general meeting (continued)

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Material change

Other than the facts and developments reported on in the annual report, there have been no material changes in the affairs or financial position of Petmin since the auditors signed off on the financials.

Reason for and effect of special resolution

The reason and effect for special resolution No. 3 is to authorise the Company by way of a general authority to acquire its own issued shares on such terms, conditions and such amounts determined from time to time by the directors of the Company in line with the limitations set out above.

4. Special resolution No. 4

“Resolved that options issued in terms of the Petmin Executive Remuneration Scheme, which expire in a period where directors and management are prohibited from trading in the Company’s shares (closed period), automatically have their validity extended until five business days following the release from the trading restriction imposed by the closed period.”

All the votes attaching to all equity securities owned or controlled by persons who are existing participants in the scheme are excluded from voting on special resolution No. 4.

Reason for and effect of special resolution

The reason and effect for special resolution No. 4 is to authorise the automatic extension of the validity period of options issued by the Company should those options expire during a closed period so as to not prejudice management and related parties.

Action required

Voting and proxies

Ordinary resolution Nos. 1 to 11 are subject to a simple majority vote of shareholders present or represented. Special resolutions Nos. 1 to 4 are special resolutions which are subject to the approval of 75% or more of the shareholders present or represented at the annual general meeting.

A member entitled to attend, speak and vote at the annual general meeting is entitled to appoint a proxy (who need not be a member of Petmin Limited), to attend, speak and vote in his/her stead.

Members which are companies or other corporate bodies may, in terms of Section 188(1) of the Companies Act, 1973 (Act 61 of 1973), as amended, by resolution of its directors or other governing body, authorise any person to act as their representative at the annual general meeting.

Shareholders who have not dematerialised their shares and 'own name' dematerialised shareholders who are unable to attend the annual general meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein and return it to the transfer secretaries to be received by no later than 10:00 on Tuesday, 26 January 2010.

Shareholders who have dematerialised their shares, other than 'own name', with a Central Securities Depository Participant (CSDP) or broker, should advise their CSDP or broker as to the action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker.

Shareholders who have dematerialised their shares must not return the attached form of proxy to the transfer secretaries. Their instructions must be sent to their CSDP or broker for action. Should you wish to attend, timeously advise your CSDP or broker of your intention to attend and vote at the annual general meeting or be represented by proxy thereat in order for your CSDP or broker to provide you with the necessary letter of representation to do so.

By order of the Board

River Group

Company Secretary

Tshwane

21 December 2009

Registered office:

First Floor, Block C

Parc Nouveau

225 Veale Street

Brooklyn, 0181

(PO Box 899, Groenkloof, 0027)

Transfer Secretaries:

Computershare Investor Services

(Proprietary) Limited

70 Marshall Street

Johannesburg, 2001

(PO Box, 61051, Marshalltown, 2107)

Notice of annual general meeting (continued)

Financial effects of special resolutions 2 and 3 – Annexure 1

Pro forma balance sheet and income statement (as at 30 June 2009)

The pro forma financial effects are depicted below, based on Petmin Limited's audited results for the year ended 30 June 2009. The financial effects are presented for illustrative purposes only and because of their nature may not give a fair reflection of the Group's results, financial position and changes in equity after the transaction. It has been assumed for the purposes of the pro forma financial effects that the above transaction took place as at 30 June 2009 for balance sheet and 1 July 2008 to 30 June 2009 for income statement purposes. The directors of Petmin Limited are responsible for the preparation of the financial effects.

Balance sheet

	Note	Audited 30 June 2009 R'000	Pro Forma adjustments for the financial effects 30 June 2009 R'000	Pro Forma after adjustments for the financial effects 30 June 2009 R'000	
Assets					
Non-current assets		1,131,688	–	1,131,688	
Property, plant and equipment		629,102	–	629,102	
Intangible assets		6,925	–	6,925	
Equity accounted investee		470,661	–	470,661	
Investments		25,000	–	25,000	
Restricted investments		–	–	–	
Long term receivables		–	–	–	
Current assets	N1	341,642	(82,000)	259,642	
Inventories		30,373	–	30,373	
Trade and other receivables		214,239	–	214,239	
Taxation prepaid		5,934	–	5,934	
Cash and cash equivalents		91,096	(82,000)	9,096	
Total assets		1,473,330	(82,000)	1,391,330	
Equity and liabilities					
Ordinary share capital and reserves attributable to equity holders of Petmin Limited		1,119,101	(82,000)	1,037,101	
Share capital	N1	134,686	(11,250)	123,436	
Share premium	N1	304,745	(70,750)	233,995	
Share option reserve		23,741	–	23,741	
Contingent consideration		–	–	–	
Hedging/valuation reserve		(636)	–	(636)	
Retained earnings		656,565	–	656,565	
Non-current liabilities		181,192	–	181,192	
Interest bearing loans and borrowings		57,664	–	57,664	
Deferred taxation		100,901	–	100,901	
Environmental rehabilitation provisions		22,627	–	22,627	
Current liabilities		173,037	–	173,037	
Trade and other payables		119,101	–	119,101	
Interest bearing loans and borrowings		53,936	–	53,936	
Taxation payable		–	–	–	
Total equity and liabilities		1,473,330	(82,000)	1,391,330	
Shares for net asset value calculation	(shares)	N1	544,538,188	(45,000,000)	499,538,188
Net asset value	(R'000)	N1	1,119,100	(82,000)	1,037,100
Net asset value per share	(cents)	N1	205.51	2.10	207.61
Net tangible asset value	(R'000)	N1	1,112,175	(82,000)	1,030,175
Net asset value per share	(cents)	N1	204.24	1.99	206.23

Income statement

	Note	Audited 30 June 2009 R'000	Pro forma adjustments for the financial effects 30 June 2009 R'000	Pro forma after adjustments for the financial effects 30 June 2009 R'000	
Revenue		788,624	–	788,624	
Cost of sales		(578,419)	–	(578,419)	
Gross profit		210,205	–	210,205	
Administration expenses		(36,311)	–	(36,311)	
Operating profit/(loss) before financing costs		173,894	–	173,894	
Net finance expense		(969)	(5,740)	(6,709)	
Finance income (interest received)	N2	11,270	(5,740)	5,530	
Finance expenses (interest paid)		(12,239)	–	(12,239)	
Profit/(loss) before tax and separately disclosed items		172,925	(5,740)	167,185	
Loss on sale subsidiary		(79,170)	–	(79,170)	
Impairment loss on goodwill acquired		(1,327)	–	(1,327)	
Share of profit of equity accounted investee (net of income tax)		78,185	–	78,185	
Profit/(loss) before tax		170,613	(5,740)	164,873	
Income tax (expense)	N2	(52,627)	1,607	(51,020)	
Profit for the year		117,986	(4,133)	113,853	
Attributable to:					
- Equity holders of Petmin Limited		118,364	(4,133)	114,231	
- Minority interest		(378)	–	(378)	
Profit for the year		117,986	(4,133)	113,853	
Basic earnings per ordinary share	(cents) N1/N2	21.86	1.15	23.01	5.3%
Diluted earnings per ordinary share	(cents) N1/N2	20.68	0.98	21.66	4.7%
Headline earnings per share	(cents) N1/N2	22.29	1.19	23.48	5.3%
Diluted headline earnings per share	(cents) N1/N2	21.08	1.02	22.10	4.8%
Weighted number of shares	N1/N2	541,354,350	(45,000,000)	496,354,350	(8.3%)
Diluted number of shares	N1/N2	572,389,484	(45,000,000)	527,389,484	(7.9%)

Notes:

N1 Share repurchase

In the event that Petmin is called upon by Standard Bank to perform in terms of the suretyship, Petmin will pay R82 million to Standard Bank, being the principle amount of the loan of R60 million and capitalised interest thereon over 36 months of R22 million interest thereon and Petmin will take ownership of the 45 million Pledged Shares, thereby reducing cash by R82 million, share capital by R11.25 million and Share premium by R70.75 million.

N2 Share repurchase

In the event that Petmin is called upon by Standard Bank to perform in terms of the suretyship, the adjustment to finance income assumes that finance income will reduce by R5.74 million (Being R82 million previously invested at an interest rate of 7% per annum, being the current fixed deposit interest rate available to Petmin on investments), with a concomitant reduction in taxation expense with a tax rate of 28%.



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Internet <http://www.kpmg.co.za/>

The Directors
Petmin Limited
Parc Nouveau
225 Veale Street
Brooklyn, 0027

15 December 2009

Dear Sirs

Independent Reporting Accountants' limited assurance report on the unaudited pro forma financial effects of Petmin Limited ("Petmin")

Introduction

We have performed our limited assurance engagement with regard to the unaudited pro forma financial effects of Petmin set out in the Notice of annual general meeting of the 30 June 2009 Annual Financial Statements to be issued on or about 14 December 2009 ("Annual Financial Statements"). The unaudited pro forma financial effects relate to the specific repurchase of shares as contemplated in Special Resolution No.2.

The pro forma financial information has been prepared for purposes of complying with the requirements of the JSE, for illustrative purposes only, to provide information about how the financial assistance might have affected the reported financial information had the financial assistance been undertaken on 1 July 2008 for income statement purposes and on 30 June 2009 for balance sheet purposes.

Because of its nature, the pro forma financial information may not present a fair reflection of the financial position, changes in equity, results of operations or cash flows of Petmin, after the financial assistance.

KPMG Inc is a company incorporated under the South African Companies Act and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative.

KPMG Inc is a Registered Auditor, in public practice, in terms of the Auditing Profession Act, 26 of 2005.

Registration number: 1999/021543/21

Policy Board:

Chief Executive: RM Kgosana

Executive Directors: TH Bashall*, DC Duffield, A Hari, TH Hoole, FB Leith, JS McIntosh, AM Mokgabudi, D van Heerden

Other Directors: LP Fourie, A Jaffer, E Magonda, CM Read, Y Suleman (Chairman of the Board), A Thunström, JM Vice

The company's principal place of business is at KPMG Crescent, 85 Empire Road, Parktown, where a list of the directors' names is available for inspection.

* British



Directors' responsibility

The directors of Petmin are solely responsible for the compilation, contents and presentation of the pro forma financial information contained in the Annual Financial Statements and for the financial information from which it has been prepared.

Their responsibility includes determining that the pro forma financial information contained in the Annual Financial Statements has been properly compiled on the basis stated, the basis is consistent with the accounting policies of Petmin and the pro forma adjustments are appropriate for the purposes of the pro forma financial information as disclosed in terms of the JSE Listings Requirements.

Reporting accountants' responsibility

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

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

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

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted audited historical financial information of Petmin for the year ended 30 June 2009 with the source documents, considering the pro forma adjustments in light of the accounting policies of Petmin, considering the evidence supporting the pro forma adjustments, recalculating the amounts based on the information obtained and discussing the pro forma financial information with the directors of Petmin.

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



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

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

Opinion

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

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

Yours faithfully
KPMG Inc.

Per M Bove
Chartered Accountant (SA)
Registered Auditor
Director

Form of proxy

Petmin Limited

(Incorporated in the Republic of South Africa)
(Registration number: 1972/001062/06)
(Date of incorporation: 3 February 1972)
(Petmin, the Company or the Group)
Share code: PET ISIN: ZAE000010237

Only for use by certificated shareholders or dematerialised shareholders who have selected own-name registration.

For use by ordinary shareholders at the annual general meeting of the company to be held at 10:00 on Wednesday, 27 January 2010 at First Floor, 37 Peter Place, Bryanston, Johannesburg.

If you have dematerialised your shares with a Central Securities Depository Participant (CSDP) or broker and have not selected 'own name' registration, you must arrange with your CSDP or broker to provide you with the necessary letter of representation to attend the annual general meeting or you must instruct them as to how you wish to vote in this regard. This must be done in terms of the agreement entered into between you and the CSDP or broker.

I/We _____
(please print name in full)
of _____
(address)
Telephone: (work) _____ (home) _____
(area code and number)
being a shareholder/s of the company and the holder of _____ shares in the company,
hereby appoint _____ of _____
or failing him/her _____ of _____
or failing him/her the chairman of the general meeting as my/our proxy to attend and speak for me/us and vote on my/our behalf at the annual general meeting and, if deemed fit, passing with or without modification, the resolutions to be considered thereat:

Ordinary resolution	Number of shares		
	In favour of	Against	Abstain
1. To adopt the audited annual financial statements of the Company for the year to 30 June 2009			
2. To authorise the directors to determine the remuneration of the Company's auditors			
3. To approve the directors' remuneration from the Company for the year ended 30 June 2009			
4. To appoint the Company's auditors			
5. To re-appoint Mr J Strijdom as a director of the Company			
6. To re-appoint Mr A Martin as a director of the company			
7. To re-appoint Mr J Taylor as a director of the company			
8. To approve the chairman and non-executive director's remuneration for the year ending 30 June 2010			
9. To place the unissued shares under the control of the directors			
10. To authorise share issues for cash			
11. Authority of directors			
Special resolution			
1. Financial assistance to Dark Capital (Pty) Ltd in terms of Section 38 of the Companies Act			
2. Specific authority to acquire own shares from Dark Capital (Pty) Ltd			
3. General authority to acquire own shares			
4. Automatic extension of validity of options			

Please indicate with an 'X' in the spaces above how you wish your votes to be cast. If no indication is given, the proxy will vote or abstain in his discretion.

Every person present and entitled to vote at the general meeting shall, on a show of hands, have one vote only, and on a poll, shall have one vote for every share held or represented.

Please read the notes appearing on the reverse hereof.

Signed at _____ on _____ 2010
Name (in block letters) _____

Signature/s _____ Assisted by me (if applicable) _____

Full name/s of signatory/ies if signing in a representative capacity
(in block letters and authority to be attached – see note 7)



Notes to the proxy

Instructions for signing and lodging this form of proxy

1. Each shareholder is entitled to appoint one or more proxies (none of whom needs be a shareholder of Petmin) to attend, speak, vote or abstain from voting in place of that shareholder at the annual general meeting.
2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting 'the chairman of the annual general meeting', but any such deletion must be initialled by the shareholder concerned. The person whose name appears 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. In the event that no names are indicated, the proxy shall be exercised by the chairman of the annual general meeting.
3. Please insert an 'X' in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of shares than you own, insert the number of shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit in respect of all of the shareholder's votes exercisable thereat. 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 whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy. If the shareholding is not indicated on the form of proxy, the proxy will be deemed to be authorised to vote the total shareholding registered in the shareholders' name.
4. In order to be effective, completed proxy forms must reach the transfer secretaries by no later than 10:00 on Wednesday, 20 January 2010.
5. The completion and lodging of this form of proxy shall in no way preclude the shareholder from attending, speaking and voting in person at the annual general meeting to the exclusion of any proxy appointed in terms hereof.
6. Should this form of proxy not be completed and/or received in accordance with these notes, the chairman may accept or reject it, provided that in respect of its acceptance, the chairman is satisfied as to the manner in which the shareholder wishes to vote.
7. Documentary evidence establishing the authority of the person signing this form of proxy in a representative or other legal capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate etc.) must be attached to this form of proxy unless previously recorded by Petmin or the transfer secretaries or waived by the chairman of the annual general meeting.
8. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has previously been registered with Petmin or the transfer secretaries.
9. The chairman shall be entitled to decline or accept the authority of a person signing the proxy form:
 - (a) under a power of attorney; or
 - (b) on behalf of a company,unless that person's power of attorney or authority is deposited at the transfer secretaries by no later than 10:00 on Thursday, 21 January 2010.
10. Where shares are held jointly, all joint holders are required to sign the form of proxy. Where there are joint holders of shares, the vote of the senior joint holder who tenders a vote, as determined by the order in which the names appear in the register of members, will be accepted.
11. 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 the South African transfer secretaries or the United Kingdom registrars.
12. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alterations must be signed, not initialled.
13. On a show of hands, every shareholder present in person or represented by proxy shall have only one vote, irrespective of the number of shares he/she holds or represents.
14. On a poll, every shareholder present in person or represented by proxy shall have one vote for every share held by such shareholder.
15. A resolution put to vote shall be decided by a show of hands unless, before or on the declaration of the results of the show of hands, a poll is demanded by any person entitled to vote at the annual general meeting.
16. A form of proxy is only to be completed by those shareholders who:
 - (a) hold shares in certificated form; or
 - (b) are dematerialised 'own name' shareholders.
17. Dematerialised shareholders who have not selected 'own name' registration and who wish to attend the annual general meeting or to vote by way of proxy must inform their CSDP or broker of their voting instructions. Should they wish to attend or be represented by proxy at the general meeting, they must advise their CSDP or broker who will issue the necessary authorisation in writing to do so. They must not complete the form of proxy.

petmin

www.petmin.co.za