

The definitions on pages 5 to 7 of this document apply throughout this document.

ACTION REQUIRED

1. If you are in any doubt as to the action you should take, please consult your banker, stockbroker, legal adviser, accountant or other professional adviser immediately.
2. If you have disposed of all your Reunert ordinary shares or Reunert preference shares, this document should be handed to the purchaser of such shares or the stockbroker, banker or other agent through whom such disposal was effected.
3. If you are a certificated ordinary shareholder or own name dematerialised ordinary shareholder and are unable to attend the scheme meeting to approve the scheme to be held at 10:00 on Friday, 3 September 2004 at the registered office of Reunert, Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton, 2196, and wish to be represented thereat, you must complete and return the attached form of proxy (pink) to the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by no later than 10:00 on Thursday, 2 September 2004. In addition, forms of proxy may be handed to the chairman of the scheme meeting by no later than 10 minutes before the scheme meeting is due to commence (or recommence, if adjourned).
4. If you are a certificated shareholder or own name dematerialised shareholder and are unable to attend the general meeting to be held at 10:30 on Friday, 3 September 2004 (or 10 minutes after the conclusion or adjournment of the scheme meeting, whichever is the later) at the registered office of Reunert, Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton, 2196, and wish to be represented thereat, you must complete and return the attached form of proxy (green) to the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by no later than 10:30 on Thursday, 2 September 2004.
5. If you are a dematerialised shareholder, other than an own name dematerialised shareholder or if you hold Reunert ordinary shares or Reunert preference shares through a nominee, you should advise your nominee or, if applicable, your CSDP or broker timeously of your intention to attend and vote at the scheme meeting (in the case of a Reunert ordinary shareholder) and general meeting (in the case of a Reunert ordinary shareholder and Reunert preference shareholder) or to be represented by proxy thereat in order for your nominee or, if applicable, your CSDP or broker to provide you with the necessary authorisation to do so or, should you not wish to attend the meeting(s) in person, you should provide your nominee or, if applicable, your CSDP or broker timeously with your voting instructions in order for your nominee or, if applicable, your CSDP or broker to vote in accordance with your instructions at the scheme meeting and/or the general meeting.
6. If you are a certificated ordinary shareholder and wish to anticipate the scheme becoming operative (expected to be on Monday, 27 September 2004) and so expedite receipt of the scheme consideration, you should complete the attached surrender form (white) and return it together with the relevant share certificate(s) or other documents of title in accordance with the instructions contained therein. An additional form of surrender will be sent to you once the scheme becomes operative.
7. All certificated ordinary shareholders and dematerialised ordinary shareholders with own name registration (and dematerialised ordinary shareholders who have obtained authority from their CSDPs or brokers, as the case may be) are entitled to attend or be represented by Counsel at the Court hearing for the sanctioning of the scheme at 10:00 on Tuesday, 14 September 2004, or as soon thereafter as Counsel may be heard in the High Court of South Africa (Witwatersrand Local Division) which is located in the High Court Building, von Brandis Square, corner Pritchard and von Brandis Streets, Johannesburg.

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Copies of this document may be obtained in English from the registered office of Reunert and the offices of the sponsors, the addresses of which are set out in the "Corporate information" section of this document.

IMPORTANT DATES AND TIMES

The definitions on pages 5 to 7 of this document have been used in the following table:

2004

Last day to trade Reunert ordinary shares on the JSE in order to be recorded in the register of Reunert or in the sub-registers of Reunert administered by CSDPs to vote at the scheme meeting (see note 1 below)	Thursday, 26 August
Voting record date	Thursday, 2 September
Last day to lodge forms of proxy for the scheme meeting (by 10:00) (see note 2 below) and the general meeting (by 10:30)	Thursday, 2 September
Scheme meeting held (at 10:00)	Friday, 3 September
General meeting held (at 10:30 or 10 minutes after the conclusion or adjournment of the scheme meeting, whichever is later)	Friday, 3 September
Publish results of the scheme meeting and general meeting on SENS (expected date)	Friday, 3 September
Publish results of the scheme meeting and the general meeting in the press (expected date)	Monday, 6 September
Court hearing to sanction the scheme (at 10:00 or as soon thereafter as Counsel may be heard)	Tuesday, 14 September
Publish results of Court hearing on SENS	Tuesday, 14 September
Publish results of Court hearing in the press	Wednesday, 15 September

If the scheme is sanctioned and becomes effective:

Last day to trade Reunert ordinary shares on the JSE in order to be recorded in the register of Reunert or in the sub-registers of Reunert administered by CSDPs to participate in the scheme	Thursday, 16 September
Record date of the scheme to determine participation in the scheme	Thursday, 23 September
Operative date of the scheme from the commencement of business	Monday, 27 September
Scheme consideration transferred or posted and new share certificates posted to certificated scheme participants (if documents of title are received on or prior to the record date of the scheme) or, failing that, within five business days of receipt of the relevant documents of title by the transfer secretaries	Monday, 27 September
Dematerialised scheme participants will have the scheme consideration credited to their account held at their CSDP or broker	Monday, 27 September

Notes:

1. Shareholders should note that, as Reunert ordinary shares now settle in the STRATE environment, settlement for trade takes place five business days after trade. Therefore, persons who acquire Reunert ordinary shares after Thursday, 26 August 2004 will not be eligible to vote at the scheme meeting.
2. If a form of proxy (pink) is not received by the time and date shown above, it may be handed to the chairman of the scheme meeting by no later than 10 minutes before the scheme meeting is due to commence (or recommence, if adjourned).
3. No dematerialisation or rematerialisation of Reunert ordinary shares will take place after Thursday, 16 September 2004. Dematerialisation and rematerialisation of Reunert ordinary shares will recommence after Monday, 27 September 2004.
4. Any change to the above dates and times will be agreed upon by Reunert and Bargenel and advised to shareholders by notification on SENS and in the press.
5. All times indicated above are South African times.

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

EXPLANATORY STATEMENT IN TERMS OF SECTION 312(1)(a)(i) OF THE ACT

I. DEFINITIONS

In this document, unless otherwise stated or clearly indicated by the context, the words in the first column have the meanings stated opposite them in the second column; words in the singular include the plural and *vice versa*; words importing one gender include the other genders and references to a person include reference to a body corporate and *vice versa*:

“Act”	the Companies Act, 1973 (Act 61 of 1973), as amended;
“Acquirors”	Reunert and Bargenel;
“Bargenel”	Bargenel Investments Limited (registration number 1971/011041/06), a public company incorporated under the laws of South Africa, and a wholly-owned subsidiary of Reunert which, at the last practicable date, held 17 168 058 Reunert ordinary shares as treasury stock, but which will not be a scheme member or a scheme participant;
“broker”	any person registered as a “broking member (equities)” in terms of the Rules of the JSE made in accordance with the provisions of the Stock Exchanges Control Act, 1985 (Act 1 of 1985), as amended;
“business day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“cents”	South African cents in the official currency of South Africa;
“certificated ordinary shareholders”	holders of certificated ordinary shares;
“certificated ordinary shares”	Reunert ordinary shares, other than dematerialised ordinary shares;
“certificated preference shares”	Reunert preference shares, other than dematerialised preference shares;
“certificated scheme participants”	scheme participants who hold certificated ordinary shares;
“certificated shareholders”	holders of certificated preference shares and holders of certificated ordinary shares;
“CGT”	Capital Gains Tax as levied in terms of Schedule 8 of the Income Tax Act, 1962 (Act 58 of 1962), as amended;
“common monetary area”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
“conditions precedent”	the conditions precedent referred to in paragraph 4 of the explanatory statement;
“the Court”	the High Court of South Africa (Witwatersrand Local Division), which is located in the High Court Building, von Brandis Square, corner Pritchard and von Brandis Streets, Johannesburg;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Custody and Administration of Securities Act, 1992;
“dematerialised ordinary shareholders”	holders of dematerialised ordinary shares;

“dematerialised ordinary shares”	Reunert ordinary shares that have been dematerialised in accordance with STRATE and which shareholding is recorded electronically;
“dematerialised shareholders”	holders of dematerialised preference shares and holders of dematerialised ordinary shares;
“dematerialised preference shares”	Reunert preference shares that have been dematerialised in accordance with STRATE and which shareholding is recorded electronically;
“dematerialised scheme participants”	scheme participants who hold dematerialised ordinary shares;
“directors” or “the board”	the board of directors of Reunert;
“this document”	this bound document, dated 12 August 2004, which includes the annexures and attachments;
“documents of title”	valid share certificates, certified transfer deeds, balance receipts or any other documents of title acceptable to Reunert in respect of Reunert ordinary shares;
“emigrant”	any emigrant from the common monetary area whose address is outside the common monetary area;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, made in terms of section 9 of the Currency and Exchanges Act, 1933 (Act 9 of 1933), as amended;
“general meeting”	the meeting of Reunert ordinary shareholders and Reunert preference shareholders to be held at 10:30 on Friday, 3 September 2004 (or 10 minutes after the conclusion or adjournment of the scheme meeting, whichever is the later), for the purposes of considering, and if deemed fit, passing the resolutions contained in the notice of general meeting;
“Income Tax Act”	Income Tax Act, 1962 (Act 58 of 1962), as amended;
“the JSE”	the JSE Securities Exchange South Africa;
“last practicable date”	Friday, 6 August 2004, being the last practicable date prior to the finalisation of this document;
“new Reunert ordinary share certificates”	the share certificates representing the remaining balance of a certificated scheme participant’s Reunert ordinary shares after such shareholder’s scheme shares have been acquired by the Acquirors in terms of the scheme;
“operative date”	the first business day immediately following the record date of the scheme, which date is expected to be Monday, 27 September 2004;
“own name dematerialised ordinary shareholders”	dematerialised ordinary shareholders who have instructed their CSDP to hold their dematerialised ordinary shares in their own name on the sub-register (the list of shareholders maintained by the CSDP and forming part of Reunert’s shareholders register);
“own name dematerialised shareholders”	dematerialised preference shareholders or dematerialised ordinary shareholders who have instructed their CSDP to hold their dematerialised preference shares or dematerialised ordinary shares in their own name on the sub-register (the list of shareholders maintained by the CSDP and forming part of Reunert’s shareholders register);
“Rand”	South African Rand, the official currency of South Africa;
“the record date of the scheme”	the latest date and time for Reunert ordinary shareholders to be recorded in the register in order to receive the scheme consideration, which is expected to be the close of business on Thursday, 23 September 2004;
“Registrar”	the Registrar of Companies in South Africa;
“Reunert” or “the company”	Reunert Limited (registration number 1913/004355/06), a public company incorporated under the laws of South Africa;
“Reunert ordinary shares”	ordinary shares of 10 cents each in the issued share capital of Reunert, all of which are listed on the JSE;
“Reunert ordinary shareholders”	the registered holders of Reunert ordinary shares;

“Reunert preference shareholders”	holders of Reunert preference shares;
“Reunert preference shares”	5,5% cumulative preference shares of R2,00 each in the issued share capital of Reunert, all of which are listed on the JSE;
“Reunert shares”	collectively, Reunert ordinary shares and Reunert preference shares;
“rounding principle”	the rounding up or down to the nearest whole number of fractions of Reunert ordinary shares to be acquired by the Acquirors in terms of the scheme, on the basis that such fractions will be: <ul style="list-style-type: none"> (a) rounded up to the nearest whole number if the fraction is equal to or greater than 0,5 of a Reunert ordinary share; or (b) rounded down to the nearest whole number if the fraction is less than 0,5 of a Reunert ordinary share;
“SARS”	the South African Revenue Service;
“the scheme”	the scheme of arrangement in terms of section 311 of the Act proposed by Reunert and Bargenel between Reunert and its ordinary shareholders, other than Bargenel, subject to any modification or amendment made thereto to which Reunert and Bargenel agree in writing and which is approved, if necessary, by the Court and which, if implemented, will result in Reunert and Bargenel acquiring the scheme shares in terms of sections 85 and 89 of the Act, respectively;
“the scheme consideration”	the consideration payable to each scheme participant, being 2 500 cents for every scheme share held;
“the scheme meeting”	the meeting of scheme members convened in terms of section 311 of the Act, to be held at the registered office of Reunert, Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton, 2196 at 10:00 on Friday, 3 September 2004, or any adjournment thereof (the time and date of which will be advised in the press), at which scheme members will consider and vote on the scheme;
“the scheme members”	the Reunert ordinary shareholders, other than Bargenel, recorded in the register on the voting record date, who are entitled to attend and vote at the scheme meeting;
“the scheme participants”	the Reunert ordinary shareholders, other than Bargenel, recorded in the register on the record date of the scheme, who are entitled to receive the scheme consideration;
“the scheme shares”	the Reunert ordinary shares to be acquired by the Acquirors in terms of the scheme, being one Reunert ordinary share per ten Reunert ordinary shares held by each scheme participant on the record date of the scheme, adjusted by the application of the rounding principle;
“SENS”	the Securities Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“STRATE”	an electronic settlement environment for transactions to be settled and transfer of ownership to be recorded electronically, which is managed by STRATE Limited (registration number 1998/022242/06);
“subsidiary”	has the meaning ascribed to the term in section 1(3) of the Act;
“transfer secretaries”	Computershare Investor Services 2004 (Proprietary) Limited (registration number 2004/003647/07), a private company incorporated under the laws of South Africa;
“the Trust”	The Reunert 1988 Share Purchase Trust, constituted in terms of the Reunert 1988 Share Purchase Scheme; and
“the voting record date”	the latest date and time for Reunert ordinary shareholders to be recorded in the register in order to vote at the scheme meeting, being the close of business on Thursday, 2 September 2004.

2. INTRODUCTION

- 2.1** It was announced on SENS on 29 June 2004 and in the press on 30 June 2004 that Reunert and its wholly-owned subsidiary, Bargenel, propose to acquire, in terms of sections 85 and 89 of the Act, respectively, a *pro rata* portion of the company's ordinary shares in issue, other than those held by Bargenel, by way of a scheme of arrangement in terms of section 311 of the Act. In terms of the scheme, Reunert and Bargenel will collectively acquire one Reunert ordinary share for every ten Reunert ordinary shares held by each Reunert ordinary shareholder (other than Bargenel) on the record date of the scheme for a cash consideration of 2 500 cents per scheme share, adjusted by the application of the rounding principle.
- 2.2** If the scheme is implemented, it is expected that a total of 19 063 631 Reunert ordinary shares (or such lesser or greater number of shares that results from the application of the rounding principle) will be acquired by the Acquirors for an aggregate consideration of R476 million. At the last practicable date, 19 063 631 Reunert ordinary shares represent 10% of the issued ordinary share capital of Reunert, after excluding the Reunert ordinary shares held by Bargenel. The scheme shares acquired by Reunert will be cancelled in terms of section 85(8) of the Act.
- 2.3** The scheme (yellow) is set out in full in the section immediately following this explanatory statement. For a full understanding of the detailed legal terms and conditions, the scheme should be read in its entirety.
- 2.4** Reunert ordinary shareholders are advised that a portion of the scheme consideration received from Reunert constitutes a dividend in terms of the Income Tax Act, and are referred to the tax implications for scheme participants set out in paragraph 2 of the Valuation Statement and the table of apportionment to the scheme consideration set out in Annexure V to this document.

3. RATIONALE FOR THE SCHEME

Reunert made a distribution of R568 million (including STC) in 1999, and over the course of the following five years to 2004, Reunert has invested in excess of R1 billion on acquisitions and the acquisition of Reunert ordinary shares on the JSE. In addition, the company has maintained a steady flow of dividends to Reunert ordinary shareholders, with the dividend cover ratio of Reunert ranging between 1,9 to 1,5 times of headline earnings. Notwithstanding the investments and payments set out above, the company's cash resources are in excess of its current investment requirements.

The board has considered the various alternatives available in order to distribute this excess cash and has taken cognisance of all its stakeholders' various considerations. The proposed scheme, which if implemented, will result in all Reunert ordinary shareholders (other than Bargenel) being treated equally and will maintain their proportionate percentage shareholding in Reunert relative to each other.

In addition, the scheme will ensure that Reunert's future earnings growth will be properly reflected without the need to restate historical financial information for comparative purposes and allows for the tax efficient distribution of Reunert's excess cash. To the extent to which the scheme consideration is paid out of Reunert's share premium account, Reunert will have an approximate STC saving of R30 million in comparison with a regular dividend payment.

4. CONDITIONS PRECEDENT

The scheme is subject to the fulfilment of the following conditions precedent before it becomes operative:

- 4.1** the special resolution approving Reunert's acquisition of certain of the scheme shares being duly passed at a general meeting of Reunert shareholders in accordance with the Act and the Listings Requirements of the JSE, and the registration of such special resolution by the Registrar;
- 4.2** the special resolution approving Bargenel's acquisition of certain of the scheme shares being duly passed at a general meeting of Reunert shareholders in accordance with the Listings Requirements of the JSE, and the registration of such special resolution by the Registrar;
- 4.3** the scheme being approved at the scheme meeting by a majority representing not less than three-fourths of the votes exercisable by scheme members present and voting in person or by proxy;
- 4.4** the Court sanctioning the scheme; and
- 4.5** a certified copy of the Order of Court sanctioning the scheme being registered by the Registrar in terms of the Act.

5. SCHEME MEETING

- 5.1** The scheme meeting will, in terms of the Order of Court (a copy of which is included in this document), be held under the chairmanship of Mr Gareth Driver, or failing him for any reason, Mr Morne van der Merwe, or failing him, such other independent person nominated by Bowman Gilfillan Inc. and approved by the Court.
- 5.2** In terms of the notice of scheme meeting attached to this document, the chairman has convened the scheme meeting to be held at 10:00 on Friday, 3 September 2004 at Reunert's registered office, Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton, 2146, for the purposes of considering and voting on the scheme.
- 5.3** In terms of section 311(2)(b) of the Act, the scheme requires the approval at the scheme meeting of a majority representing not less than three-fourths (75%) of the votes exercisable by scheme members present and voting either in person or by proxy at the scheme meeting.

6. ATTENDANCE AND VOTING AT THE SCHEME MEETING

- 6.1** Reunert ordinary shareholders, other than Bargenel, recorded in the register at the close of business on the voting record date (Thursday, 2 September 2004) and who are thus scheme members, will be entitled to attend and vote at the scheme meeting.
- 6.2** Scheme members who hold Reunert ordinary shares in certificated form or in dematerialised form with own name registration will be entitled to attend the scheme meeting in person, or if they are unable to attend the scheme meeting in person and wish to be represented thereat, must complete and return the attached form of proxy (pink) to the transfer secretaries to be received by 10:00 on Thursday, 2 September 2004. In addition, completed forms of proxy may be handed to the chairman of the scheme meeting no later than 10 minutes before the scheme meeting is due to commence.
- 6.3** Scheme members who hold Reunert ordinary shares in dematerialised form and who do not have own name registration who wish to attend the scheme meeting must instruct their CSDP or broker to issue them with the necessary authority to attend or, if they do not wish to attend the general meeting, they may provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and their CSDP or broker.
- 6.4** Bargenel will not attend or vote at the scheme meeting.
- 6.5** Scheme members who do not support the scheme will be given an opportunity to state their views at the scheme meeting.

7. SANCTIONING OF THE SCHEME BY THE COURT

- 7.1** If the scheme is approved by the requisite majority at the scheme meeting and the conditions precedent referred to in paragraphs 4.1 and 4.2 above are fulfilled, Reunert will make application to the Court for the sanctioning of the scheme.
- 7.2** All Reunert ordinary shareholders are entitled to attend in person, or be represented by Counsel, the Court hearing for the sanctioning of the scheme at 10:00 on Tuesday, 14 September 2004 or as soon thereafter as Counsel may be heard. The Court is located at the High Court Building, von Brandis Square, corner Pritchard and von Brandis Streets, Johannesburg.
- 7.3** Subject to the sanctioning of the scheme by the Court, a certified copy of the Order of Court will be lodged with the Registrar for registration. Once registered, the scheme will become binding on all scheme participants, whether or not they voted in favour of the scheme.
- 7.4** Subject to the conditions precedent being fulfilled, it is expected that the scheme will become operative on Monday, 27 September 2004. Any change in the expected dates will be announced on SENS and in the press.

8. SETTLEMENT OF THE SCHEME CONSIDERATION

8.1 Reunert will deliver the scheme consideration to the scheme participants, as set out in paragraphs 8.2 and 8.3 below. Delivery by Reunert of the scheme consideration shall be the sole and exclusive manner of discharge by the Acquirors of their obligations in respect of the scheme and the rights of scheme participants to receive the scheme consideration will be rights enforceable by scheme participants against Reunert only.

8.2 Certificated scheme participants

For certificated scheme participants, cheques in respect of the scheme consideration and new Reunert ordinary share certificates will be posted within five business days of the operative date to those certificated scheme participants who have surrendered their documents of title in respect of their entire holdings of Reunert ordinary shares and furnished duly signed surrender forms (white) in accordance with the instructions contained therein to the transfer secretaries on or prior to the record date of the scheme. If a certificated scheme participant's documents of title are surrendered only after the record date, cheques in respect of the scheme consideration and new Reunert ordinary share certificates will be posted within five business days of receipt thereof by the transfer secretaries. The scheme consideration will be electronically transferred directly into a certificated scheme participant's bank account if these details are available to the transfer secretaries and the scheme participant has entered into a mandate with the transfer secretaries.

8.3 Dematerialised scheme participants

Dematerialised scheme participants will have their accounts with their CSDP or broker credited with the scheme consideration and debited with the scheme shares on the operative date. Scheme participants need not take any action as this will be done by their CSDP or broker.

8.4 The scheme consideration to which a scheme participant is entitled when the scheme becomes operative will be implemented in full in accordance with the terms of the scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Reunert or Bargenel may otherwise be, or claim to be, entitled against such scheme participant.

9. SURRENDER OF DOCUMENTS OF TITLE

This paragraph 9 only applies to certificated scheme participants and does not apply to dematerialised scheme participants.

9.1 If the conditions precedent are fulfilled and the scheme becomes operative, scheme participants will be entitled to receive the scheme consideration, but in the case of certificated scheme participants, the scheme consideration and the new Reunert ordinary share certificates will not be delivered to them unless and until they have surrendered their documents of title in respect of their entire holdings of Reunert ordinary shares. If the documents of title in respect of certificated scheme participants are not surrendered prior to the operative date, the certificates in respect thereof shall no longer be good for delivery, other than for the purposes of the scheme, in order to receive the scheme consideration and the new Reunert ordinary share certificates.

9.2 On the operative date, the scheme shares will be acquired by the Acquirors in accordance with the table of apportionment of the scheme shares set out in Annexure IV to this document.

9.3 The scheme consideration due to a certificated scheme participant will only be payable upon receipt by the transfer secretaries of the documents of title in respect of all his Reunert ordinary shares.

9.4 Certificated ordinary shareholders who wish to anticipate the scheme becoming operative on the operative date should complete the attached surrender form (white) and send it together with their documents of title to the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) in advance of the record date of the scheme. Such surrendered documents of title will be held in trust by the transfer secretaries, pending the scheme becoming operative. Should the scheme not become operative for whatever reason, such documents will, within five business days of the date upon which it becomes known that the scheme will not become operative, be returned by registered post at the risk of the certificated ordinary shareholder concerned. Certificated scheme participants who surrender their documents of title before the record date of the scheme will not be able to dematerialise their Reunert ordinary shares between the date of surrender and the operative date. In addition, no dematerialisation or rematerialisation of Reunert ordinary shares will take place after Thursday, 16 September 2004. Dematerialisation or rematerialisation of Reunert ordinary shares will recommence after Monday, 27 September 2004.

- 9.5** Alternatively, certificated scheme participants can wait until the operative date and surrender their documents of title in respect of their entire holdings of Reunert ordinary shares together with the attached form of surrender (white) at that time, or notify their broker accordingly.
- 9.6** No receipts will be issued for documents of title surrendered unless specifically requested. In order to comply with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts if required.
- 9.7** If documents of title have been lost or destroyed and the holder produces evidence to this effect to Reunert's satisfaction, Reunert may dispense with the surrender of documents of title requirement against provision of an acceptable indemnity by the relevant certificated scheme participant, the costs of which indemnity will be borne by the certificated scheme participant concerned.
- 9.8** Reunert ordinary shares may only be traded in dematerialised form. Certificated scheme participants who wish to retain their physical share certificates should note that they need not submit their share certificates for dematerialisation. However, in order to receive the scheme consideration, and to reflect the correct number of shares held on the share certificates and ensure that the share certificates are valid for delivery for dematerialisation in the future, it will be necessary to recall all Reunert ordinary share certificates in issue in order to replace them with new Reunert ordinary share certificates.
- 9.9** Once the scheme is approved and becomes operative a further document containing another form of surrender will be sent to all certificated scheme participants who have not yet surrendered their documents of title.
- 9.10** If the relevant documents of title are not surrendered, or if the scheme consideration and new Reunert ordinary share certificates are returned undelivered to the transfer secretaries, such scheme consideration and share certificates will be held by the transfer secretaries on behalf of and for the benefit of the relevant scheme participants until claimed. No interest will accrue or be paid to a scheme participant on any cash or Reunert ordinary shares so held.

10. EXCHANGE CONTROL REGULATIONS

The scheme consideration payable to a scheme participant is not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations. The following is a summary of the Exchange Control Regulations as they affect scheme participants. Scheme participants who are not resident in, or who have a registered address outside, South Africa must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the scheme consideration and new Reunert ordinary share certificates or the amendment of their share statements, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory. In the event that scheme participants have any doubts, they should consult their professional advisors without delay.

10.1 Emigrants

The scheme consideration due to a scheme participant, excluding the portion of the scheme consideration that constitutes a dividend in terms of paragraph 2 of the Valuation Statement included in this document, who is an emigrant from the common monetary area, whose registered address is outside the common monetary area will:

- 10.1.1** in the case of a certificated scheme participant whose documents of title have been restrictively endorsed under the Exchange Control Regulations, be deposited in a blocked Rand account with the authorised dealer in foreign exchange in South Africa controlling such certificated scheme participant's blocked assets in accordance with his instructions. The attached surrender form (white) makes provision for details of the authorised dealer concerned to be given; and
- 10.1.2** in the case of a dematerialised scheme participant, be credited directly to the scheme participant's blocked Rand account by his duly appointed CSDP and held to the order of the authorised dealer in foreign exchange in South Africa.

The new Reunert ordinary share certificates due to a certificated scheme participant who is an emigrant and whose documents of title have been restrictively endorsed under the Exchange Control Regulations, on the surrender of the appropriate documents of title, will be similarly endorsed and sent to the authorised dealer controlling the blocked assets of the emigrant certificated scheme participant.

10.2 All other non residents of the common monetary area

The scheme consideration due to a scheme participant, excluding the portion of the scheme consideration that constitutes a dividend in terms of paragraph 2 of the Valuation Statement included in this document, who is a non-resident of the common monetary area and who has never resided in the common monetary area, whose registered address is outside the common monetary area will:

10.2.1 in the case of a certificated scheme participant whose documents of title have been restrictively endorsed under the Exchange Control Regulations, be deposited with the authorised dealer in foreign exchange in South Africa nominated by such scheme participant. It will be incumbent on the scheme participant concerned to instruct the nominated authorised dealer as to the disposal of the relevant proceeds; and

10.2.2 in the case of a dematerialised scheme participant, be credited directly to the bank account nominated by the scheme participant concerned, by his duly appointed CSDP. It will be incumbent on the scheme participant concerned to instruct the nominated authorised dealer as to the disposal of the relevant proceeds.

The new Reunert ordinary share certificates due to a certificated scheme participant who is a non-resident of the common monetary area and who has never resided in the common monetary area, whose registered address is outside the common monetary area and whose documents of title have been restrictively endorsed under the Exchange Control Regulations, will be endorsed "non-resident". The new Reunert share certificate will be forwarded, at the risk of the scheme participant concerned, to his authorised dealer in foreign exchange.

If the information regarding the authorised dealer is not given and no instruction is given as required in terms of paragraphs 10.1 and 10.2 above, the scheme consideration and new Reunert ordinary share certificates will be held in trust by Reunert for the certificated scheme participant concerned pending receipt of the necessary information or instruction. No interest will be paid on any amounts so held.

11. AUTHORS

The authors of this explanatory statement are the boards of directors of Reunert and Bargenel.

For and on behalf of the board

For and on behalf of the board

REUNERT LIMITED

BARGENEL INVESTMENTS LIMITED

Thursday, 12 August 2004
Johannesburg

Thursday, 12 August 2004
Johannesburg

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

SCHEME OF ARRANGEMENT IN TERMS OF SECTION 311 OF THE ACT, PROPOSED BY REUNERT AND BARGENEL BETWEEN REUNERT AND ITS ORDINARY SHAREHOLDERS, OTHER THAN BARGENEL

I. DEFINITIONS

In this scheme of arrangement, unless otherwise stated or clearly indicated by the context, the words in the first column have the meanings stated opposite them in the second column; words in the singular include the plural and *vice versa*; words importing one gender include the other genders and references to a person include reference to a body corporate and *vice versa*:

“Act”	the Companies Act, 1973 (Act 61 of 1973), as amended;
“Acquirors”	Reunert and Bargenel;
“Bargenel”	Bargenel Investments Limited (registration number 1971/011041/06), a public company incorporated under the laws of South Africa, and a wholly-owned subsidiary of Reunert which, at the last practicable date, held 17 168 058 Reunert ordinary shares as treasury stock, but which will not be a scheme member or a scheme participant;
“broker”	any person registered as a “broking member (equities)” in terms of the Rules of the JSE made in accordance with the provisions of the Stock Exchanges Control Act, 1985 (Act 1 of 1985), as amended;
“business day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“cents”	South African cents in the official currency of South Africa;
“certificated ordinary shareholders”	holders of certificated ordinary shares;
“certificated ordinary shares”	Reunert ordinary shares, other than dematerialised ordinary shares;
“certificated scheme participants”	scheme participants who hold certificated ordinary shares;
“certificated shareholders”	holders of certificated preference shares and holders of certificated ordinary shares;
“common monetary area”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
“conditions precedent”	the conditions precedent referred to in paragraph 9 of the scheme;
“the Court”	the High Court of South Africa (Witwatersrand Local Division), which is located in the High Court Building, von Brandis Square, corner Pritchard and von Brandis Streets, Johannesburg;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Custody and Administration of Securities Act, 1992;
“dematerialised ordinary shareholders”	holders of dematerialised ordinary shares;

“dematerialised ordinary shares”	Reunert ordinary shares that have been dematerialised in accordance with STRATE and which shareholding is recorded electronically;
“dematerialised scheme participants”	scheme participants who hold dematerialised ordinary shares;
“directors” or “the board”	the board of directors of Reunert;
“documents of title”	valid share certificates, certified transfer deeds, balance receipts or any other documents of title acceptable to Reunert in respect of Reunert ordinary shares;
“emigrant”	any emigrant from the common monetary area whose address is outside the common monetary area;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, made in terms of section 9 of the Currency and Exchanges Act, 1933 (Act 9 of 1933), as amended;
“general meeting”	the meeting of Reunert ordinary shareholders and Reunert preference shareholders to be held at 10:30 on Friday, 3 September 2004 (or 10 minutes after the conclusion or adjournment of the scheme meeting, whichever is the later), for the purposes of considering, and if deemed fit, passing the resolutions contained in the notice of general meeting attached to the document in which the scheme is included;
“Income Tax Act”	Income Tax Act, 1962 (Act 58 of 1962), as amended;
“the JSE”	the JSE Securities Exchange South Africa;
“last practicable date”	Friday, 6 August 2004, being the last practicable date prior to the finalisation of the document in which the scheme is included;
“new Reunert ordinary share certificates”	the share certificates representing the remaining balance of a certificated scheme participant’s Reunert ordinary shares after such shareholder’s scheme shares have been acquired by the Acquirors in terms of the scheme;
“operative date”	the first business day immediately following the record date of the scheme, which date is expected to be Monday, 27 September 2004;
“own name dematerialised ordinary shareholders”	dematerialised ordinary shareholders who have instructed their CSDP to hold their dematerialised ordinary shares in their own name on the sub-register (the list of shareholders maintained by the CSDP and forming part of Reunert’s shareholders register);
“own name dematerialised shareholders”	dematerialised preference shareholders or dematerialised ordinary shareholders who have instructed their CSDP to hold their dematerialised preference shares or dematerialised ordinary shares in their own name on the sub-register (the list of shareholders maintained by the CSDP and forming part of Reunert’s shareholders register);
“Rand”	South African Rand, the official currency of South Africa;
“the record date of the scheme”	the latest date and time for Reunert ordinary shareholders to be recorded in the register in order to receive the scheme consideration, which is expected to be the close of business on Thursday, 23 September 2004;
“Registrar”	the Registrar of Companies in South Africa;
“Reunert”	Reunert Limited (registration number 1913/004355/06), a public company incorporated under the laws of South Africa;
“Reunert ordinary shares”	ordinary shares of 10 cents each in the issued share capital of Reunert, all of which are listed on the JSE;

“Reunert shares”	collectively, Reunert ordinary shares and Reunert preference shares;
“Reunert ordinary shareholders”	the registered holders of Reunert ordinary shares;
“rounding principle”	<p>the rounding up or down to the nearest whole number of fractions of Reunert ordinary shares to be acquired by the Acquirors in terms of the scheme, on the basis that such fractions will be:</p> <p>(a) rounded up to the nearest whole number if the fraction is equal to or greater than 0,5 of a Reunert ordinary share; or</p> <p>(b) rounded down to the nearest whole number if the fraction is less than 0,5 of a Reunert ordinary share;</p>
“the scheme”	the scheme of arrangement in terms of section 311 of the Act proposed by Reunert and Bargenel between Reunert and its ordinary shareholders, other than Bargenel, subject to any modification or amendment made thereto to which Reunert and Bargenel agree in writing and which is approved, if necessary, by the Court and which, if implemented, will result in Reunert and Bargenel acquiring the scheme shares in terms of sections 85 and 89 of the Act, respectively;
“the scheme consideration”	the consideration payable to each scheme participant, being 2 500 cents for every scheme share held;
“the scheme meeting”	the meeting of scheme members convened in terms of section 311 of the Act, to be held at Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton, 2146 at 10:00 on Friday, 3 September 2004, or any adjournment thereof (the time and date of which will be advised in the press), at which scheme members will consider and vote on the scheme;
“the scheme members”	the Reunert ordinary shareholders, other than Bargenel, recorded in the register on the voting record date, who are entitled to attend and vote at the scheme meeting;
“the scheme participants”	the Reunert ordinary shareholders, other than Bargenel, recorded in the register on the record date of the scheme, who are entitled to receive the scheme consideration;
“the scheme shares”	the Reunert ordinary shares to be acquired by the Acquirors in terms of the scheme, being one Reunert ordinary share per ten Reunert ordinary shares held by each scheme participant on the record date of the scheme, adjusted by the application of the rounding principle;
“SENS”	the Securities Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“STRATE”	an electronic settlement environment for transactions to be settled and transfer of ownership to be recorded electronically, which is managed by STRATE Limited (registration number 1998/022242/06);
“subsidiary”	has the meaning ascribed to the term in section 1(3) of the Act;
“transfer secretaries”	Computershare Investor Services 2004 (Proprietary) Limited (registration number 2004/003647/07), a private company incorporated under the laws of South Africa; and
“the voting record date”	the latest date and time for Reunert ordinary shareholders to be recorded in the register in order to vote at the scheme meeting, being the close of business on Thursday, 2 September 2004.

2. SHARE CAPITAL OF REUNERT

- 2.1 The authorised share capital of Reunert is R24 510 577 divided into 235 000 000 ordinary shares of 10 cents each, 350 000 5,5% cumulative preference shares of R2,00 each and 31 057 729 redeemable preference shares of 1 cent each.
- 2.2 The issued share capital of Reunert is R21 480 436 divided into 207 804 364 ordinary shares of 10 cents each and 350 000 5,5% cumulative preference shares of R2,00 each.
- 2.3 All of the issued Reunert ordinary shares are of one class and rank *pari passu* in all respects.
- 2.4 All of the issued Reunert ordinary shares and 5,5% cumulative preference shares are listed in the "Electronics & Electrical" sector of the JSE lists.
- 2.5 At the last practicable date Bargenel held, as treasury shares, 17 168 058 (8.2%) of the 207 804 364 Reunert ordinary shares in issue.

3. THE OBJECT OF THE SCHEME

The object of the scheme is to procure that the scheme shares are acquired, in terms of sections 85 and 89 of the Act, by Reunert and Bargenel, respectively, from the scheme participants in return for the scheme consideration. The scheme shares acquired by Reunert will be cancelled in terms of section 85(8) of the Act.

4. THE SCHEME

- 4.1 Subject to the scheme becoming operative, with effect from the operative date:
 - 4.1.1 scheme participants shall dispose of the scheme shares and Reunert and Bargenel shall acquire the scheme shares in terms of sections 85 and 89 of the Act, respectively, free from any encumbrances, in accordance with the table of apportionment of the scheme shares which is Annexure IV to the document in which the scheme is included;
 - 4.1.2 the scheme shares acquired by Reunert shall be cancelled in terms of section 85(8) of the Act;
 - 4.1.3 the disposal and transfer by each scheme participant of the scheme shares held by the scheme participant to Bargenel, and the acquisition of ownership of those shares by Bargenel, pursuant to the provisions of paragraph 4.1.1 above, shall be effected in accordance with the following provisions:
 - 4.1.3.1 in the case of certificated ordinary shares, each scheme participant shall be deemed to have ceded to Bargenel on the operative date the relevant number of scheme shares held by the scheme participant in accordance with the table of apportionment which is Annexure IV to the document in which the scheme is included, without any further act or action being required; and
 - 4.1.3.2 in the case of dematerialised ordinary shares, the transfer of ownership shall be effected on the operative date in accordance with the requirements of section 91A(4) of the Act and the Rules of STRATE, by the debiting of the account of the scheme participant or its nominee in Reunert's sub-register maintained by the scheme participant's CSDP and the crediting of the account of Bargenel in Reunert's sub-register maintained by Bargenel's CSDP;
 - 4.1.4 Bargenel shall deliver to Reunert as principal, or the transfer secretaries as agent for and on behalf of Reunert, Bargenel's portion of the scheme consideration to which scheme participants are entitled and Reunert, or the transfer secretaries as agent for and on behalf of Reunert, will pay the scheme consideration due to the scheme participants in accordance with paragraph 6 below;
 - 4.1.5 scheme participants will be entitled to receive the scheme consideration, from Reunert only, in respect of the scheme shares held by them.
- 4.2 Each certificated scheme participant irrevocably and *in rem suam* authorises Reunert, with power of substitution, to:
 - 4.2.1 cause such number of the scheme shares disposed of by the scheme participant in terms of the scheme and acquired by Bargenel to be transferred and registered in the name of Bargenel on or at any time after the operative date, and to do all such things and take all such steps (including the signing of any transfer form) as Reunert in its discretion considers necessary in order to effect that transfer and registration;

- 4.2.2** receive the scheme participant's surrender; or procure that the transfer secretaries as agent for and on behalf of Reunert receive the scheme participant's surrender; of the documents of title relating to the certificated scheme participant's scheme shares.
- 4.3** Each dematerialised scheme participant irrevocably and *in rem suam* authorises Reunert, with power of substitution, to instruct his CSDP to cause the scheme shares disposed of by the scheme participant to Bargenel in terms of the scheme to be transferred in terms of section 91A(4) of the Act to Bargenel in accordance with the requirements of the scheme, and to do all such things and take all such steps as Reunert in its discretion considers necessary in order to effect that transfer.
- 4.4** Each scheme participant irrevocably and *in rem suam* authorises Reunert as principal, but with the power to appoint agents, to collect from Bargenel its portion of the scheme consideration and set aside and pay the scheme consideration in respect of the scheme shares to the scheme participant in accordance with the provisions of the scheme.
- 4.5** Delivery by Bargenel to Reunert or its agent, as principal, of its portion of the scheme consideration shall be the sole and exclusive manner of discharge by Bargenel of its obligations in respect of the scheme.
- 4.6** The rights of the scheme participants to receive the scheme consideration will be rights enforceable by scheme participants against Reunert only.
- 4.7** Reunert, as principal, will procure that Bargenel complies with its obligations under the scheme, and Reunert alone shall have the right to enforce those obligations (if necessary) against Bargenel.
- 4.8** Reunert, as principal, undertakes in favour of the scheme participants that it will enforce all rights which it may have in terms of the scheme against Bargenel.
- 4.9** Subject to the scheme being approved by the requisite majority at the scheme meeting and the fulfilment of the conditions precedent in paragraphs 9.1 and 9.2 below, application will be made to the Court to sanction the scheme.
- 4.10** The scheme will be implemented on the operative date. Any change in the expected dates will be announced in the press.

5. THE SCHEME CONSIDERATION

- 5.1** In consideration of the disposal by each scheme participant of all his scheme shares to the Acquirors, the scheme participant shall, subject to the scheme becoming operative, be entitled to receive the scheme consideration of 2 500 cents for every scheme share held by him on the record date of the scheme.
- 5.2** If the Acquirors become entitled to acquire a fraction of a Reunert ordinary share from a scheme participant, the rounding principle will apply. A table of entitlement to the scheme consideration is set out in Annexure III to the document in which the scheme is included.
- 5.3** Scheme participants are referred to paragraph 8 below regarding the treatment of their scheme consideration in terms of the Exchange Control Regulations.

6. SETTLEMENT OF THE SCHEME CONSIDERATION

- 6.1** Reunert will deliver the scheme consideration to scheme participants, as set out in paragraphs 6.2 and 6.3 below. Delivery by Reunert of the scheme consideration shall be the sole and exclusive manner of discharge by the Acquirors of their obligations in respect of the scheme and the rights of scheme participants to receive the scheme consideration will be rights enforceable by scheme participants against Reunert only.

6.2 Certificated scheme participants

For certificated scheme participants, cheques in respect of the scheme consideration and new Reunert ordinary share certificates will be posted within five business days of the operative date to those certificated scheme participants who have surrendered their documents of title in respect of their entire holdings of Reunert ordinary shares and furnished duly signed surrender forms (white) in accordance with the instructions contained therein to the transfer secretaries on or prior to the record date of the scheme. If a certificated scheme participant's documents of title are surrendered after the record date, cheques in respect of the scheme consideration and new Reunert ordinary share certificates will be posted within five business days of receipt thereof by the transfer secretaries. The scheme consideration will be electronically transferred directly into a certificated scheme participant's bank account if these details are available to the transfer secretaries and the scheme participant has entered into a mandate with the transfer secretaries.

6.3 Dematerialised scheme participants

Dematerialised scheme participants will have their accounts with their CSDP or broker credited with the scheme consideration and debited with the scheme shares on the operative date. Scheme participants need take no further action as this will be done by their CSDP or broker.

- 6.4** The scheme consideration to which a scheme participant is entitled when the scheme becomes operative will be implemented in full in accordance with the terms of the scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Reunert or Bargenel may otherwise be, or claim to be, entitled against such scheme participant.

7. SURRENDER OF DOCUMENTS OF TITLE

This paragraph 7 only applies to certificated scheme participants and does not apply to dematerialised scheme participants.

- 7.1** If the conditions precedent are fulfilled and the scheme becomes operative, scheme participants will be entitled to receive the scheme consideration, but in the case of certificated scheme participants, the scheme consideration and the new Reunert ordinary share certificates will not be delivered to them unless and until they have surrendered their documents of title in respect of all of their Reunert ordinary shares. If the documents of title in respect of certificated scheme shares are not surrendered prior to the operative date, the certificates in respect thereof shall no longer be good for delivery, other than for the purposes of the scheme, in order to receive the scheme consideration and the new Reunert ordinary share certificates.
- 7.2** On the operative date, Reunert shall procure the transfer of the scheme shares to the Acquirors in accordance with the table of apportionment of the scheme shares set out in Annexure IV to the document in which the scheme is included.
- 7.3** **The scheme consideration due to a certificated scheme participant will only be payable upon receipt by the transfer secretaries of the documents of title in respect of all his Reunert ordinary shares.**
- 7.4** Certificated ordinary shareholders who wish to anticipate the scheme becoming operative on the operative date should complete the surrender form (white) and send it together with their documents of title to the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) in advance of the record date of the scheme. Such surrendered documents of title will be held in trust by the transfer secretaries, pending the scheme becoming operative. Should the scheme not become operative for whatever reason, such documents will, within five business days of the date upon which it becomes known that the scheme will not become operative, be returned by registered post at the risk of the certificated ordinary shareholder concerned. Certificated scheme participants who surrender their documents of title before the record date of the scheme will not be able to dematerialise those Reunert ordinary shares between the date of surrender and the operative date. In addition, no dematerialisation or rematerialisation of Reunert ordinary shares will take place after Thursday, 16 September 2004. Dematerialisation and rematerialisation of Reunert ordinary shares will recommence after Monday, 27 September 2004.

- 7.5** Alternatively, certificated scheme participants can wait until the operative date and surrender their documents of title together with the attached form of surrender (white) at that time, or notify their broker accordingly.
- 7.6** No receipts will be issued for documents of title surrendered unless specifically requested. In order to comply with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts if required.
- 7.7** If documents of title have been lost or destroyed and the holder produces evidence to this effect to Reunert's satisfaction, Reunert may dispense with the surrender of documents of title requirement against provision of an acceptable indemnity by the relevant certificated scheme participant, the costs of which indemnity will be borne by the certificated scheme participant concerned.
- 7.8** Reunert ordinary shares may only be traded in dematerialised form. Certificated scheme participants who wish to retain their physical share certificates should note that they need not submit their share certificates for dematerialisation. However, in order to receive the scheme consideration, and to reflect the correct number of shares held on the share certificates and ensure that the share certificates are valid for delivery for dematerialisation in the future, it will be necessary to recall all Reunert ordinary share certificates in issue in order to replace them with new Reunert ordinary share certificates.
- 7.9** Once the scheme is approved and becomes operative a further document containing another form of surrender will be sent to all certificated scheme participants who have not yet surrendered their documents of title.
- 7.10** If the relevant documents of title are not surrendered, or if the scheme consideration and new Reunert ordinary share certificates are returned undelivered to the transfer secretaries, such scheme consideration will be held by the transfer secretaries on behalf of and for the benefit of the relevant scheme participants until claimed. No interest will accrue or be paid to a scheme participant on any cash or Reunert ordinary shares so held.

8. EXCHANGE CONTROL REGULATIONS

The scheme consideration payable to a scheme participant is not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations. The following is a summary of the Exchange Control Regulations as they affect scheme participants. Scheme participants who are not resident in, or who have a registered address outside, South Africa must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the scheme consideration and new Reunert ordinary share certificates or the amendment of their share statements, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory. In the event that scheme participants have any doubts, they should consult their professional advisors without delay.

8.1 Emigrants

The scheme consideration due to a scheme participant, excluding the portion of the scheme consideration that constitutes a dividend in terms of paragraph 2 of the Valuation Statement included in the document in which the scheme is contained, who is an emigrant from the common monetary area, whose registered address is outside the common monetary area, will:

- 8.1.1** in the case of a certificated scheme participant whose documents of title have been restrictively endorsed under the Exchange Control Regulations, be deposited in a blocked Rand account with the authorised dealer in foreign exchange in South Africa controlling such certificated scheme participant's blocked assets in accordance with his instructions. The attached surrender form (white) makes provision for details of the authorised dealer concerned to be given; and
- 8.1.2** in the case of a dematerialised scheme participant, be credited directly to the scheme participant's blocked Rand account by his duly appointed CSDP and held to the order of the authorised dealer in foreign exchange in South Africa.

The new Reunert ordinary share certificates due to a certificated scheme participant who is an emigrant and whose documents of title have been restrictively endorsed under the Exchange Control Regulations, on the surrender of the appropriate documents of title, will be similarly endorsed and sent to the authorised dealer controlling the blocked assets of the emigrant certificated scheme participant.

8.2 All other non-residents of the common monetary area

The scheme consideration due to a scheme participant, excluding the portion of the scheme consideration that constitutes a dividend in terms of paragraph 2 of the Valuation Statement included in the document in which the scheme is contained, who is a non-resident of South Africa and who has never resided in the common monetary area, whose registered address is outside the common monetary area will:

- 8.2.1** in the case of a certificated scheme participant whose documents of title have been restrictively endorsed under the Exchange Control Regulations, be deposited with the authorised dealer in foreign exchange in South Africa nominated by such scheme participant. It will be incumbent on the scheme participant concerned to instruct the nominated authorised dealer as to the disposal of the relevant proceeds; and
- 8.2.2** in the case of a dematerialised scheme participant, be credited directly to the bank account nominated by the scheme participant concerned, by his duly appointed CSDP. It will be incumbent on the scheme participant concerned to instruct the nominated authorised dealer as to the disposal of the relevant proceeds.

The new Reunert ordinary share certificates due to a certificated scheme participant who is a non-resident of the common monetary area, and who has never resided in the common monetary area, whose registered address is outside the common monetary area and whose documents of title have been restrictively endorsed under the Exchange Control Regulations, will be endorsed "non-resident". The new Reunert share certificate will be forwarded, at the risk of the scheme participant concerned, to his authorised dealer in foreign exchange. If the information regarding the authorised dealer is not given, the new Reunert ordinary share certificates will be held in trust for the scheme participants concerned pending receipt of the necessary information or instruction.

If the information regarding the authorised dealer is not given and no instruction is given as required in terms of paragraphs 8.1 and 8.2 above, the scheme consideration and new Reunert ordinary share certificates will be held in trust by Reunert for the certificated scheme participant concerned pending receipt of the necessary information or instruction. No interest will be paid on any amounts so held.

9. CONDITIONS PRECEDENT

The scheme is subject to the fulfilment of the following conditions precedent before it becomes operative:

- 9.1** the special resolution approving Reunert's acquisition of certain of the scheme shares being duly passed at a general meeting of Reunert shareholders in accordance with the Act and the Listings Requirements of the JSE, and the registration of such special resolution by the Registrar;
- 9.2** the special resolution approving Bargenel's acquisition of certain of the scheme shares being duly passed at a general meeting of Reunert shareholders in accordance with the Listings Requirements of the JSE, and the registration of such special resolution by the Registrar;
- 9.3** the scheme being approved at the scheme meeting by a majority representing not less than three-fourths of the votes exercisable by scheme members present and voting in person or by proxy;
- 9.4** the Court sanctioning the scheme; and
- 9.5** a certified copy of the Order of Court sanctioning the scheme being registered by the Registrar in terms of the Act.

10. INSTRUCTIONS AND AUTHORITIES

- 10.1** Reunert shall be entitled to accept and act on all documents recorded with Reunert relating to the status and capacity of any scheme participant.
- 10.2** Each mandate, instruction or authority with regard to the scheme shares recorded with Reunert at the record date of the scheme will be deemed, unless and until revoked, to be a mandate, instruction or authority to Reunert in respect of any right accruing in respect of the scheme consideration.

II. GENERAL

- 11.1** The Acquirors hereby reciprocally undertake to each other that, immediately after the scheme becomes operative, each of them will sign and/or procure the signing of all documents which are necessary to be signed and will carry out and/or procure the carrying out of all acts which are necessary to be carried out to give effect to the scheme.
- 11.2** On the operative date, documents of title to all scheme shares will cease to be of any value, other than for the purposes of surrender in terms of the scheme.
- 11.3** On the operative date, every director of Reunert and every director of the transfer secretaries will irrevocably be deemed to be the attorney and agent *in rem suam* of each scheme participant to implement the scheme and registration of transfer referred to in paragraphs 5, 6 and 7 above and to sign any instrument of transfer in respect thereof or any other documents required to implement the scheme.
- 11.4** Reunert and Bargenel may consent:
- 11.4.1** before or at the scheme meeting, at any time prior to the voting in respect of the scheme, to any amendment, variation or modification of the scheme; or
- 11.4.2** after the scheme meeting, to any amendment, variation or modification which the Court may think fit to approve or impose, provided that no amendment, variation or modification made after the scheme meeting may have the effect of diminishing the rights which will accrue to a scheme participant in terms of the scheme.
- 11.5** A certificate signed by any director stating that all the conditions of the scheme have been fulfilled and that the scheme has become operative shall be binding on Reunert, Bargenel and the scheme participants.
- 11.6** A certified copy of the Order of the Court sanctioning the scheme, to which a copy of the scheme will be attached, will constitute the contract entitling scheme participants to the scheme consideration, which contract is required to be registered by the Registrar in terms of the Act.
- 11.7** All dates and times referred to in the scheme are subject to amendment by agreement between Reunert and Bargenel. Details of any such amendments will be published on SENS and in the press.
- 11.8** Bargenel will not attend or vote at the scheme meeting.
- 11.9** The costs of preparing, signing and carrying the scheme into effect and all matters incidental to it including the payment of stamp duty and uncertificated securities tax on the transfer of the scheme shares shall be borne and paid by the Acquirors.
- 11.10** If any provision in a definition is a substantive provision conferring a right or imposing an obligation on any party then, notwithstanding that it is only a definition, effect shall be given to that provision as if it were a substantive provision in the body of the scheme.

For and on behalf of the board

REUNERT LIMITED

Thursday, 12 August 2004
Johannesburg

For and on behalf of the board

BARGENEL INVESTMENTS LIMITED

Thursday, 12 August 2004
Johannesburg

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

VALUATION STATEMENT IN TERMS OF SECTION 312(1)(a)(ii) OF THE ACT

The definitions on pages 5 to 7 of this document have been used in the following valuation statement.

I. FINANCIAL EFFECTS OF THE SCHEME

The table below sets out the unaudited *pro forma* financial effects of the scheme on the unaudited earnings and headline earnings of Reunert for the six months ended 31 March 2004 and the net asset value and net tangible asset value at that date:

Per Reunert ordinary share	Notes	Before the scheme (cents)	After the scheme (cents)	Percentage change
Earnings	1	133,2	137,7	3,4
Headline earnings	1	136,9	141,8	3,6
Net asset value	2	660	438	(33,6)
Net tangible asset value	2	495	256	(48,3)

The unaudited *pro forma* financial effects have been prepared for illustrative purposes only, in order to provide information on how the scheme might affect the financial results and position of a Reunert ordinary shareholder and, because of their nature, may not give a true reflection of the actual financial effects of the scheme. The *pro forma* financial effects have been calculated on the basis set out below:

Notes:

1. The "Before" column reflects the earnings and headline earnings per Reunert share for the six months ended 31 March 2004, calculated on the basis of the fully diluted weighted average number of 192,1 million Reunert ordinary shares in issue throughout the period. The "After" column assumes that the scheme was implemented with effect from 1 October 2003 and excludes investment income that was received at a rate of 7% per annum on the aggregate amount of the scheme consideration and the taxes payable by Reunert thereon, calculated on the basis of a fully diluted weighted average number of 173,0 million Reunert ordinary shares in issue.
2. The "Before" column reflects the net asset value and the net tangible asset value per Reunert share at 31 March 2004, and is based on 190,3 million Reunert ordinary shares in issue at 31 March 2004. The "After" column assumes that the scheme was implemented on 31 March 2004, calculated on the basis of 171,2 million Reunert ordinary shares in issue.

The independent reporting accountants' report on the financial effects of the scheme is set out in Annexure I to this document.

2. TAX IMPLICATIONS FOR SCHEME PARTICIPANTS

This summary serves as a general guide and is not intended to constitute a complete analysis of the tax consequences of the scheme under South African law. It is not intended to be, nor should it be, considered to be legal or tax advice. Reunert ordinary shareholders are accordingly advised to consult their own professional advisors about the tax consequences of the scheme on their tax positions. Reunert and their advisors will not be held responsible for the tax consequences of the scheme for Reunert shareholders under South African law, the law of the jurisdiction of their residence and any treaty between South Africa and such jurisdiction.

2.1 Taxation considerations relating to the scheme

Subject to the fulfilment of the conditions precedent, and the scheme becoming operative, scheme participants will receive the scheme consideration of R25,00 per scheme share. Scheme participants are advised to refer to the table of apportionment of the scheme shares set out in Annexure IV to this document to ascertain which portion of their scheme shares will be acquired by Bargenel and Reunert, respectively.

In the case of the scheme shares purchased by Bargenel for R25,00 the entire scheme consideration will, for the purposes of the Income Tax Act, constitute proceeds on disposal in the hands of the scheme participant.

In the case of the scheme shares acquired by Reunert, the scheme consideration comprises the following:

- a return of share capital and share premium from Reunert of R11,64 per scheme share (“non-dividend portion”); and
- a distribution of reserves by Reunert of R13,36 per scheme share (“dividend portion”).

For illustrative purposes a table of apportionment of the scheme consideration is set out in Annexure V to this document, which table indicates the apportionment of the scheme consideration received by a scheme participant between Bargenel, the non-dividend portion and the dividend portion.

2.1.1 Capital gains tax

To the extent that the Reunert shareholders hold their shares as capital assets in terms of the Income Tax Act, the non-dividend portion is treated as proceeds for CGT purposes, while the dividend portion is neither subject to income tax nor CGT. These provisions also apply to the disposal of any shares held as trading stock, the proceeds of which are deemed to be of a capital nature in terms of section 9B of the Income Tax Act.

The base cost of the Reunert ordinary shares that can be taken into account in determining the capital gain or capital loss depends on the particular circumstances of each Reunert ordinary shareholder.

Shareholders who have held their shares for less than two years prior to the record date of the scheme should take heed of the provisions of paragraph 19(1) of the Eighth Schedule to the Income Tax Act.

2.1.2 Income tax

To the extent that the Reunert ordinary shareholders hold their shares as trading stock in terms of the Income Tax Act, the total distribution of R25,00, including the dividend portion, where applicable, will be subject to income tax, unless the proceeds on disposal of these shares are deemed to be of a capital nature in terms of section 9B of the Income Tax Act.

The cost of the Reunert ordinary shares that can be deducted for income tax purposes from the amount included in the shareholder’s income will depend on the particular circumstances of each Reunert ordinary shareholder.

2.1.3 Secondary tax on companies (“STC”)

In terms of the Income Tax Act, the dividend portion of the scheme consideration qualifies for a credit for STC purposes in the hands of any shareholder, which is a company or a close corporation, resident in South Africa.

3. SHARE CAPITAL OF REUNERT

Before the scheme	Number	R'm
<i>Authorised share capital</i>		
Reunert ordinary shares (shares of 10 cents each)	235 000 000	23,5
5,5% cumulative preference shares (shares of R2,00 each)	350 000	0,7
Redeemable preference shares (shares of 1 cent each)	31 057 729	0,3
<i>Issued share capital</i>		
Reunert ordinary shares (shares of 10 cents each)	207 804 364	20,8
– held by Bargenel	17 168 058	
– held by external shareholders (for financial reporting purposes)	190 636 306	
5,5% cumulative preference shares (shares of R2,00 each)	350 000	0,7
Share premium		277,6
Total issued share capital		299,1

After the scheme	Number	R'm
<i>Authorised share capital</i>		
Reunert ordinary shares (shares of 10 cents each)	235 000 000	23,5
5,5% cumulative preference shares (shares of R2,00 each)	350 000	0,7
Redeemable preference shares (shares of 1 cent each)	31 057 729	0,3
<i>Issued share capital</i>		
Reunert ordinary shares (shares of 10 cents each)	190 636 306	19,1
– held by Bargenel	19 063 631	
– held by external shareholders (for financial reporting purposes)	171 572 675	
5,5% cumulative preference shares (shares of R2,00 each)	350 000	0,7
Share premium		–
Total issued share capital		19,8

The number of Reunert ordinary shares in issue after the scheme assumes that Reunert and Bargenel will, subject to the application of the rounding principle, acquire 17 168 058 and 1 895 573 scheme shares respectively, in accordance with the table of apportionment of the scheme shares set out in Annexure IV to this document. The 17 168 058 scheme shares acquired by Reunert will then be cancelled as issued shares and revert to authorised but unissued share capital. Reunert will, as soon as possible after the operative date, advise Reunert shareholders as to the number of scheme shares that have been acquired by Reunert and accordingly cancelled.

For and on behalf of the board

For and on behalf of the board

REUNERT LIMITED

BARGENEL INVESTMENTS LIMITED

Thursday, 12 August 2004
Johannesburg

Thursday, 12 August 2004
Johannesburg

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

Directors of Reunert

D E Cooper (*Chairman*)
G Pretorius (*Chief Executive*)*
B P Connellan
B P Gallagher *
S D Jagoe
K J Makwetla
G J Oosthuizen *
D J Rawlinson * (*Financial Director*)
M J Shaw
J C van der Horst

*Executive

Directors of Bargenel

R G Drakes
G J Oosthuizen
D J Rawlinson

STATEMENT OF DIRECTORS' INTERESTS IN TERMS OF SECTION 312(1)(a)(iii) OF THE ACT

The definitions on pages 5 to 7 of this document have been used in the following statement of directors' interests.

I. INTERESTS OF THE DIRECTORS OF REUNERT AND BARGENEL

I.1 Shareholdings and share dealings

Shareholdings:

(a) On the last practicable date the directors of Reunert held the following Reunert ordinary shares:

Name	Reunert ordinary shares				Total	Percentage
	Beneficial		Non-beneficial			
	Direct	Indirect	Direct	Indirect		
D E Cooper	–	35 688	–	–	35 688	0,0
B P Connellan	33 914	10 000	–	–	43 914	0,0
B P Gallagher	355 884	–	–	–	355 884	0,2
S D Jagoe	–	20 000	–	–	20 000	0,0
K J Makwetla	–	–	–	–	–	0,0
G J Oosthuizen	174 800	–	–	–	174 800	0,1
G Pretorius	433 800	–	–	–	433 800	0,2
D J Rawlinson	391 500	20 137	–	–	411 637	0,2
M J Shaw	–	–	–	–	–	0,0
J C van der Horst	–	–	–	–	–	0,0
	1 389 898	85 825	–	–	1 475 723	0,8

(b) On the last practicable date the directors of Bargenel held the following Reunert ordinary shares:

Name	Reunert ordinary shares				Total	Percentage
	Beneficial		Non-beneficial			
	Direct	Indirect	Direct	Indirect		
R G Drakes	172 200	–	–	–	172 200	0,1
G J Oosthuizen	174 800	–	–	–	174 800	0,1
D J Rawlinson	391 500	20 137	–	–	411 637	0,2
	738 500	20 137	–	–	758 637	0,4

Included under the beneficial indirect holdings of the directors are the shares held by the directors in terms of the Reunert 1988 Share Purchase Scheme which are pledged to the Reunert Share Purchase Trust, established in terms of the Reunert 1988 Share Purchase Scheme, of which D J Rawlinson and M J Shaw are the trustees. Provided that the loans under the share scheme are not in arrears the trustees will not withhold their approval for shareholders registered under the scheme to vote at meetings of Reunert.

Share dealings:

Dealings by the directors in Reunert shares for the period commencing 1 October 2003, being the financial year-end of Reunert, and terminating on the last practicable date, are set out below:

Director	Date (2004)	Nature of transaction	Number of shares	Price (cents)
G Pretorius	9 January	Exercise of options	55 000	545
G Pretorius	15 June	Exercise of options	33 300	1 410
G Pretorius	18 June	Sale of shares	30 000	2 545
G Pretorius	24 June	Sale of shares	70 000	2 440
B P Gallagher	9 January	Exercise of options	66 600	545
B P Gallagher	21 May	Exercise of options	16 600	1 410
G J Oosthuizen	9 January	Exercise of options	66 600	545
G J Oosthuizen	21 May	Exercise of options	16 600	1 410
G J Oosthuizen	16 July	Sale of shares	5 800	2 536
D J Rawlinson	9 January	Exercise of options	66 600	545
D J Rawlinson	15 June	Exercise of options	16 600	1 410

1.2 Special arrangements

There are no agreements, arrangements or understandings between Reunert or any person acting in concert with it and any of the directors of Reunert and /or Bargenel or persons who were directors within the preceding 12 months having any connection with or dependence upon the scheme.

2. DIRECTORS' INTERESTS IN THE SCHEME

The directors of Reunert and Bargenel have no other interest in the scheme, other than through their holding of Reunert ordinary shares.

3. DIRECTORS' EMOLUMENTS AND SERVICE CONTRACTS

The emoluments of Reunert's directors will not be affected by the scheme.

4. SHARE INCENTIVE SCHEME

Employees and retired employees of Reunert and its subsidiaries who have acquired Reunert ordinary shares in terms of the Reunert 1988 Share Purchase Scheme will be scheme participants and will dispose of their scheme shares and will receive the scheme consideration in terms of the scheme. To the extent that such scheme shares are pledged to the Trust as security for loans advanced to acquire Reunert ordinary shares, the Trust will release the relevant scheme shares from the pledge on the basis that the scheme consideration received is used to repay the loans relating to such scheme shares.

Employees and retired employees of Reunert and its subsidiaries who hold unexercised options to acquire Reunert ordinary shares in terms of the Reunert 1985 Share Option Scheme are not holders of Reunert ordinary shares and accordingly will not be scheme participants in terms of the scheme. In addition, the auditors of Reunert have determined, in terms of the rules of the Reunert 1985 Share Option Scheme that no change is necessary to the number of Reunert ordinary shares that are the subject of any option and the purchase price thereof.

For and on behalf of the board

For and on behalf of the board

REUNERT LIMITED

BARGENEL INVESTMENTS LIMITED

Thursday, 12 August 2004
Johannesburg

Thursday, 12 August 2004
Johannesburg

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

ADDITIONAL INFORMATION, INCLUDING INFORMATION REQUIRED BY THE JSE

The definitions on pages 5 to 7 of this document have been used in the following schedule of additional information.

I. INFORMATION ON REUNERT

I.1 Background and nature of business

Reunert is listed in the "Electronics & Electrical" sector of the JSE lists. It manages a number of businesses focused on electronics and low-voltage electrical engineering.

Established in 1888 by pioneers Theodore Reunert and Otto Lenz, the group has played a major role in the South African economy for more than a century and its products are leaders in the various markets it serves.

Originally listed in the "Engineering" sector of the JSE lists in 1948, the company was acquired by Barlow Rand Limited ("Barlows") in 1980 and listed on the "Electronics" sector of the JSE lists three years later. Reunert was unbundled from Barlows in 1993.

In the late 1990s the group, once again, entered a restructuring process streamlining its very diverse businesses into more focused operations. Since the restructuring began in 1997, various non-core or unprofitable businesses were disposed of or closed.

Today, the main trading companies remaining in the Reunert group are focused specifically on electronics and low-voltage electrical engineering. Reunert owns Nashua Limited, Nashua Mobile (Proprietary) Limited, NPC (Electronics) Limited ("Panasonic"), Circuit Breaker Industries Limited, African Cables Limited, RC&C Finance Company (Proprietary) Limited and Reutech Limited ("Reutech") represents the defence electronics business. Reunert holds 89,5% of the shares in ATC (Proprietary) Limited ("ATC") and a 40% stake in Siemens Telecommunications (Proprietary) Limited ("Siemens Telecommunications").

I.2 Prospects for the Reunert group

Siemens Telecommunications, Panasonic and ATC all traded at a loss during the second half of the 2003 financial year. All have made strong recoveries and are expected to contribute positively. With the exception of Reutech, all the other businesses are experiencing satisfactory trading conditions. The rate of increase in headline earnings per share in the second half of the 2004 financial year is likely to be higher than that achieved in the first half.

I.3 Trading history of Reunert ordinary shares on the JSE

The trading history of Reunert ordinary shares on the JSE is set out in Annexure II.

I.4 Material changes

The board of directors of Reunert are not aware of any material changes in the business of Reunert subsequent to the latest published unaudited accounts for the six months ended 31 March 2004, other than the announced acquisition of the remaining 50% stake in African Cables Limited from Pirelli Cables and Systems for a consideration of R167 million, which acquisition was announced on SENS on 13 July 2004.

2. MAJOR SHAREHOLDERS

To the best of Reunert's knowledge and belief, the following major beneficial shareholders were, on the last practicable date, directly or indirectly, the beneficial owners of 5% or more of the issued ordinary share capital of Reunert:

Shareholder	Number of shares held	Percentage of issued share capital
Public Investment Commissioner	31 079 244	14,96
Bargenel	17 168 058	8,27

3. LITIGATION STATEMENT

There are no legal or arbitration proceedings pending or threatened of which Reunert is aware involving Reunert, which may have or have had a significant effect on the financial position of Reunert taken as a whole for the twelve months immediately preceding the last practicable date.

4. WORKING CAPITAL STATEMENT

The directors have considered the effects of the scheme and are satisfied that:

- Reunert and its subsidiaries ("the Group") will be able, in the ordinary course of business, to pay their debts for a period of 12 months following the date of the approval of this document;
- the assets of the Group will be in excess of its liabilities at the operative date of the scheme;
- the Group will have adequate ordinary capital and reserves for a period of 12 months following the date of the approval of this document; and
- the Group will have adequate working capital for a period of 12 months following the date of the approval of this document.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names appear on page 25 of this document, collectively and individually, accept full responsibility for the accuracy of the information given in this document and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this circular false or misleading and that they have made all reasonable enquiries to ascertain such facts.

6. JSE LISTING

The scheme shares acquired by Reunert in accordance with the table of apportionment of the scheme shares set out in Annexure IV to this document (being approximately 17 168 058 Reunert ordinary shares) will be cancelled and accordingly application will be made for the delisting of these shares from the JSE from the commencement of business on Monday, 27 September 2004.

7. THE GENERAL MEETING

Attached to this document is a notice of general meeting of Reunert ordinary shareholders and preference shareholders to be held at 10:30 (or 10 minutes after the conclusion or adjournment of the scheme meeting, whichever is later) on Friday, 3 September 2004 for the purposes of considering and, if deemed fit, passing resolutions approving Reunert and Bargenel's acquisition of the scheme shares in terms of sections 85 and 89 of the Act, respectively, as required in terms of the Listings Requirements of the JSE.

In terms of Reunert's articles of association, the Reunert preference shareholders will be entitled to attend the general meeting and to vote only on special resolution number 1 to be proposed thereat. In terms of the Act, Bargenel is not able to vote at the general meeting.

Certificated shareholders and dematerialised shareholders with own name registration who are unable to attend the general meeting and wish to be represented thereat must complete and return the attached form of proxy (green) to the transfer secretaries to be received by 10:30 on Thursday, 2 September 2004.

Dematerialised shareholders who have not elected own name registration who wish to attend the general meeting must instruct their CSDP or broker to issue them with the necessary authority to attend or, if they do not wish to attend the general meeting, they may provide their CSDP or broker with their voting instructions in terms of their custody agreement.

8. OPINIONS, RECOMMENDATIONS AND UNDERTAKINGS

The directors of Reunert have considered the terms and conditions of the scheme and are of the unanimous opinion that those terms and conditions are in the best interests of the Reunert ordinary shareholders. Accordingly, the board of directors of Reunert supports the scheme and recommends that Reunert shareholders vote in favour of the scheme and the special and ordinary resolutions to be proposed at the general meeting. The directors of Reunert who hold Reunert ordinary shares intend to vote in favour of the scheme at the scheme meeting and the resolutions to be proposed at the general meeting in respect of their own holdings of Reunert ordinary shares.

Reunert ordinary shareholders who controlled, at 29 June 2004, in aggregate, 60,9% of the issued ordinary share capital of Reunert, have given their written support for the scheme and the resolutions to be proposed at the general meeting.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Reunert during normal office hours from Thursday, 12 August 2004 up to and including the date on which application is made to sanction the scheme on Tuesday, 14 September 2004:

- 9.1** this document, incorporating the scheme and the explanatory statement;
- 9.2** a copy of the Order of Court convening the scheme meeting;
- 9.3** the audited annual financial statements of Reunert for each of the three financial years ended 30 September 2003;
- 9.4** the unaudited interim financial statements of Reunert for the six months ended 31 March 2004;
- 9.5** the undertakings from Reunert ordinary shareholders to vote in favour of the scheme referred to in paragraph 8 above; and
- 9.6** the memorandum and articles of association of Reunert.

For and on behalf of the board

REUNERT LIMITED

Thursday, 12 August 2004
Johannesburg

For and on behalf of the board

BARGENEL INVESTMENTS LIMITED

Thursday, 12 August 2004
Johannesburg

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA FINANCIAL EFFECTS

12 August 2004

The Directors
Reunert Limited
Reunert Limited
Lincoln Wood Office Park
6-10 Woodlands Drive
Woodmead
Sandton, 2196

Gentlemen

REPORT OF THE INDEPENDENT REPORTING ACCOUNTANTS ON THE UNAUDITED PRO FORMA FINANCIAL EFFECTS OF THE SCHEME OF ARRANGEMENT PROPOSED BY REUNERT LIMITED AND BARGENEL INVESTMENTS LIMITED

INTRODUCTION

Reunert Limited ("Reunert") proposes that Reunert and its wholly-owned subsidiary, Bargenel Investments Limited ("Bargenel"), will acquire, in terms of sections 85 and 89 of the Companies Act, 1973 ("the Act"), a *pro rata* portion of the company's ordinary shares in issue, net of treasury shares, by way of a scheme of arrangement in terms of section 311 of the Act ("the proposed scheme").

We report on the unaudited *pro forma* financial effects of the proposed scheme ("the unaudited *pro forma* financial information") set out in sub-section 1 of the Valuation Statement section of the circular to Reunert ordinary shareholders to be dated on or about Thursday, 12 August 2004 ("the circular").

The unaudited *pro forma* financial information has been prepared for illustrative purposes to provide information about how the proposed scheme would have affected the results and position of Reunert for the six-month period ended 31 March 2004. Because of its nature, the unaudited *pro forma* financial information may not give a fair reflection of Reunert's financial position nor the effect on income going forward.

At your request, and for purposes of proposed scheme, we present our report on the unaudited *pro forma* financial information in compliance with the Listings Requirements of the JSE Securities Exchange South Africa ("the JSE").

RESPONSIBILITIES

The directors of Reunert are solely responsible for the preparation of the unaudited *pro forma* financial information to which this independent reporting accountants' report relates, and for the financial statements and financial information from which it has been prepared.

It is our responsibility to form an opinion on the unaudited *pro forma* financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited *pro forma* financial information, beyond that owed to those to whom those reports were addressed at their dates of issue.

BASIS OF OPINION

Our work, which did not involve any independent examination of any of the underlying financial information, consisted primarily of agreeing the unadjusted financial information to the unaudited *pro forma* financial information of Reunert for the latest financial period, considering the evidence supporting the adjustments to the unaudited *pro forma* financial information, recalculating the amounts based on the information obtained and discussing the unaudited *pro forma* financial information with the directors of Reunert.

Because the above procedures do not constitute either an audit or a review made in accordance with Statements of South African Auditing Standards, we do not express any assurance on the fair presentation of the unaudited *pro forma* financial information.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with Statements of South African Auditing Standards, other matters might have come to our attention that would have been reported to you.

OPINION

In our opinion:

- the unaudited *pro forma* financial information has been properly compiled on the basis stated;
- such basis is consistent with the accounting policies of Reunert; and
- the adjustments are appropriate for the purposes of the unaudited *pro forma* financial information as disclosed and in terms of Section 8.30 of the JSE Listings Requirements.

DELOITTE & TOUCHE”

TRADING HISTORY OF THE REUNERT ORDINARY SHARES ON THE JSE

The highest and lowest prices as well as the volumes at which the Reunert ordinary shares traded on the JSE for each quarter commencing on 1 January 2001 and ended on 30 June 2004 and each month from June 2003 to June 2003 and for each day from 1 July 2004 to the last practicable date, are set out below:

		High (cents)	Low (cents)	Volume (shares)
Quarterly				
2001	Quarter 1	1 850	1 540	19 412 343
	Quarter 2	2 025	1 610	19 693 087
2002	Quarter 1	2 010	1 720	23 580 705
	Quarter 2	2 220	1 830	14 196 670
	Quarter 3	1 961	1 760	18 936 984
	Quarter 4	2 230	1 855	17 619 392
2003	Quarter 1	2 000	1 600	19 461 943
	Quarter 2	1 911	1 560	17 730 225
Monthly				
2003	June	1 911	1 680	5 206 918
	July	1 860	1 650	4 881 451
	August	1 800	1 700	6 494 184
	September	1 780	1 670	9 990 322
	October	1 825	1 695	14 228 021
	November	2 000	1 795	8 921 728
	December	2 250	1 960	12 061 262
2004	January	2 450	2 180	13 166 549
	February	2 550	2 290	5 952 218
	March	2 510	2 300	5 367 269
	April	2 620	2 400	4 694 851
	May	2 580	2 300	7 346 572
	June	2 545	2 320	7 430 755
Daily				
2004	1 July	2 460	2 430	82 821
	2 July	2 555	2 442	169 081
	5 July	2 565	2 540	133 283
	6 July	2 550	2 530	275 513
	7 July	2 550	2 535	279 485
	8 July	2 548	2 510	97 055
	9 July	2 540	2 540	141 426
	12 July	2 550	2 520	47 738
	13 July	2 530	2 510	124 505
	14 July	2 530	2 518	125 665
	15 July	2 531	2 500	255 324
	16 July	2 540	2 530	220 979
	19 July	2 530	2 479	55 300
	20 July	2 500	2 450	275 632
	21 July	2 500	2 460	206 913
	22 July	2 469	2 440	95 305
	23 July	2 460	2 440	235 606
	26 July	2 450	2 430	114 971
	27 July	2 450	2 430	146 362
	28 July	2 450	2 430	180 292
	29 July	2 440	2 350	753 327
	30 July	2 465	2 400	59 132
	2 August	2 475	2 425	76 014
	3 August	2 475	2 450	101 683
	4 August	2 475	2 440	205 766
	5 August	2 475	2 450	22 615
	6 August	2 480	2 450	197 799

TABLE OF ENTITLEMENT TO THE SCHEME CONSIDERATION

The definitions on pages 5 to 7 of this document have been used in this Annexure.

Holding of Reunert ordinary shares before the scheme	Holding of Reunert ordinary shares after the scheme	Scheme consideration received (Rand)	Holding of Reunert ordinary shares before the scheme	Holding of Reunert ordinary shares after the scheme	Scheme consideration received (Rand)
1	1	–	51	46	125
2	2	–	52	47	125
3	3	–	53	48	125
4	4	–	54	49	125
5	4	25	55	49	150
6	5	25	56	50	150
7	6	25	57	51	150
8	7	25	58	52	150
9	8	25	59	53	150
10	9	25	60	54	150
11	10	25	61	55	150
12	11	25	62	56	150
13	12	25	63	57	150
14	13	25	64	58	150
15	13	50	65	58	175
16	14	50	66	59	175
17	15	50	67	60	175
18	16	50	68	61	175
19	17	50	69	62	175
20	18	50	70	63	175
21	19	50	71	64	175
22	20	50	72	65	175
23	21	50	73	66	175
24	22	50	74	67	175
25	22	75	75	67	200
26	23	75	76	68	200
27	24	75	77	69	200
28	25	75	78	70	200
29	26	75	79	71	200
30	27	75	80	72	200
31	28	75	81	73	200
32	29	75	82	74	200
33	30	75	83	75	200
34	31	75	84	76	200
35	31	100	85	76	225
36	32	100	86	77	225
37	33	100	87	78	225
38	34	100	88	79	225
39	35	100	89	80	225
40	36	100	90	81	225
41	37	100	91	82	225
42	38	100	92	83	225
43	39	100	93	84	225
44	40	100	94	85	225
45	40	125	95	85	250
46	41	125	96	86	250
47	42	125	97	87	250
48	43	125	98	88	250
49	44	125	99	89	250
50	45	125	100	90	250

TABLE OF APPORTIONMENT OF THE SCHEME SHARES

The definitions on pages 5 to 7 of this document have been used in this Annexure.

Scheme shares acquired by Acquirors	Scheme shares acquired by Reunert	Scheme shares acquired by Bargenel	Scheme shares acquired by Acquirors	Scheme shares acquired by Reunert	Scheme shares acquired by Bargenel
1	1	–	51	46	5
2	2	–	52	47	5
3	3	–	53	48	5
4	4	–	54	49	5
5	5	–	55	50	5
6	5	1	56	50	6
7	6	1	57	51	6
8	7	1	58	52	6
9	8	1	59	53	6
10	9	1	60	54	6
11	10	1	61	55	6
12	11	1	62	56	6
13	12	1	63	57	6
14	13	1	64	58	6
15	14	1	65	59	6
16	14	2	66	59	7
17	15	2	67	60	7
18	16	2	68	61	7
19	17	2	69	62	7
20	18	2	70	63	7
21	19	2	71	64	7
22	20	2	72	65	7
23	21	2	73	66	7
24	22	2	74	67	7
25	23	2	75	68	7
26	23	3	76	68	8
27	24	3	77	69	8
28	25	3	78	70	8
29	26	3	79	71	8
30	27	3	80	72	8
31	28	3	81	73	8
32	29	3	82	74	8
33	30	3	83	75	8
34	31	3	84	76	8
35	32	3	85	77	8
36	32	4	86	77	9
37	33	4	87	78	9
38	34	4	88	79	9
39	35	4	89	80	9
40	36	4	90	81	9
41	37	4	91	82	9
42	38	4	92	83	9
43	39	4	93	84	9
44	40	4	94	85	9
45	41	4	95	86	9
46	41	5	96	86	10
47	42	5	97	87	10
48	43	5	98	88	10
49	44	5	99	89	10
50	45	5	100	90	10

TABLE OF APPORTIONMENT OF THE SCHEME CONSIDERATION

The definitions on pages 5 to 7 of this document have been used in this Annexure.

The table of apportionment below provides an analysis of the scheme consideration for tax purposes. Reunert ordinary shareholders are referred to the tax implications of the scheme set out in paragraph 2 of the Valuation Statement of this document.

Scheme shares acquired by Acquirors	Total scheme consideration received (Rand)	Scheme consideration received from Reunert		Scheme consideration received from Bargenel (Rand)
		Non-dividend portion (Rand)	Dividend portion (Rand)	
1	25,00	11,64	13,36	0,00
2	50,00	23,28	26,72	0,00
3	75,00	34,92	40,08	0,00
4	100,00	46,56	53,44	0,00
5	125,00	58,20	66,80	0,00
6	150,00	58,20	66,80	25,00
7	175,00	69,84	80,16	25,00
8	200,00	81,48	93,52	25,00
9	225,00	93,12	106,88	25,00
10	250,00	104,76	120,24	25,00
11	275,00	116,40	133,60	25,00
12	300,00	128,04	146,96	25,00
13	325,00	139,68	160,32	25,00
14	350,00	151,32	173,68	25,00
15	375,00	162,96	187,04	25,00
16	400,00	162,96	187,04	50,00
17	425,00	174,60	200,40	50,00
18	450,00	186,24	213,76	50,00
19	475,00	197,88	227,12	50,00
20	500,00	209,52	240,48	50,00
21	525,00	221,16	253,84	50,00
22	550,00	232,80	267,20	50,00
23	575,00	244,44	280,56	50,00
24	600,00	256,08	293,92	50,00
25	625,00	267,72	307,28	50,00
26	650,00	267,72	307,28	75,00
27	675,00	279,36	320,64	75,00
28	700,00	291,00	334,00	75,00
29	725,00	302,64	347,36	75,00
30	750,00	314,28	360,72	75,00
31	775,00	325,92	374,08	75,00
32	800,00	337,56	387,44	75,00
33	825,00	349,20	400,80	75,00
34	850,00	360,84	414,16	75,00
35	875,00	372,48	427,52	75,00
36	900,00	372,48	427,52	100,00
37	925,00	384,12	440,88	100,00
38	950,00	395,76	454,24	100,00
39	975,00	407,40	467,60	100,00
40	1 000,00	419,04	480,96	100,00
41	1 025,00	430,68	494,32	100,00
42	1 050,00	442,32	507,68	100,00
43	1 075,00	453,96	521,04	100,00
44	1 100,00	465,60	534,40	100,00

Scheme shares acquired by Acquirors	Total scheme consideration received (Rand)	Scheme consideration received from Reunert		Scheme consideration received from Bargenel (Rand)
		Non-dividend portion (Rand)	Dividend portion (Rand)	
45	1 125,00	477,24	547,76	100,00
46	1 150,00	477,24	547,76	125,00
47	1 175,00	488,88	561,12	125,00
48	1 200,00	500,52	574,48	125,00
49	1 225,00	512,16	587,84	125,00
50	1 250,00	523,80	601,20	125,00
51	1 275,00	535,44	614,56	125,00
52	1 300,00	547,08	627,92	125,00
53	1 325,00	558,72	641,28	125,00
54	1 350,00	570,36	654,64	125,00
55	1 375,00	582,00	668,00	125,00
56	1 400,00	582,00	668,00	150,00
57	1 425,00	593,64	681,36	150,00
58	1 450,00	605,28	694,72	150,00
59	1 475,00	616,92	708,08	150,00
60	1 500,00	628,56	721,44	150,00
61	1 525,00	640,20	734,80	150,00
62	1 550,00	651,84	748,16	150,00
63	1 575,00	663,48	761,52	150,00
64	1 600,00	675,12	774,88	150,00
65	1 625,00	686,76	788,24	150,00
66	1 650,00	686,76	788,24	175,00
67	1 675,00	698,40	801,60	175,00
68	1 700,00	710,04	814,96	175,00
69	1 725,00	721,68	828,32	175,00
70	1 750,00	733,32	841,68	175,00
71	1 775,00	744,96	855,04	175,00
72	1 800,00	756,60	868,40	175,00
73	1 825,00	768,24	881,76	175,00
74	1 850,00	779,88	895,12	175,00
75	1 875,00	791,52	908,48	175,00
76	1 900,00	791,52	908,48	200,00
77	1 925,00	803,16	921,84	200,00
78	1 950,00	814,80	935,20	200,00
79	1 975,00	826,44	948,56	200,00
80	2 000,00	838,08	961,92	200,00
81	2 025,00	849,72	975,28	200,00
82	2 050,00	861,36	988,64	200,00
83	2 075,00	873,00	1 002,00	200,00
84	2 100,00	884,64	1 015,36	200,00
85	2 125,00	896,28	1 028,72	200,00
86	2 150,00	896,28	1 028,72	225,00
87	2 175,00	907,92	1 042,08	225,00
88	2 200,00	919,56	1 055,44	225,00
89	2 225,00	931,20	1 068,80	225,00
90	2 250,00	942,84	1 082,16	225,00
91	2 275,00	954,48	1 095,52	225,00
92	2 300,00	966,12	1 108,88	225,00
93	2 325,00	977,76	1 122,24	225,00
94	2 350,00	989,40	1 135,60	225,00
95	2 375,00	1 001,04	1 148,96	225,00
96	2 400,00	1 001,04	1 148,96	250,00
97	2 425,00	1 012,68	1 162,32	250,00
98	2 450,00	1 024,32	1 175,68	250,00
99	2 475,00	1 035,96	1 189,04	250,00
100	2 500,00	1 047,60	1 202,40	250,00

ORDER OF COURT

IN THE HIGH COURT OF SOUTH AFRICA
(WITWATERSRAND LOCAL DIVISION)

Case number 04/16921

JOHANNESBURG, 10 August 2004

BEFORE THE HONOURABLE JUDGE JAJBHAY

In the ex parte application of

REUNERT LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1913/004355/06)

Applicant

Having read the documents filed of record and having considered the matter:

THE COURT GRANTS THE FOLLOWING ORDER:

1. a meeting ("the scheme meeting") in terms of section 311(1) of the Companies Act, 1973, as amended, ("the Act") of the ordinary shareholders of the Applicant, other than Bargenel Investments Limited ("Bargenel"), registered as such at the close of business on the day (excluding Saturdays, Sundays and public holidays) immediately preceding the date of the scheme meeting ("the scheme members") be convened by the chairman referred to in paragraph 2, who shall fix the time, date and place thereof, for the purpose of considering and, if deemed fit, agreeing to, with or without modification, the scheme of arrangement ("the scheme") proposed by the Applicant and Bargenel between the Applicant and the ordinary shareholders of the Applicant, other than Bargenel;
2. Mr Gareth Walter Driver or, failing him, Mr Mome van der Merwe or, failing both of them, any other independent person nominated for that purpose by Bowman Gilfillan Inc. and approved by the Court, be and is hereby appointed as chairman of the scheme meeting ("the chairman");
3. the chairman is authorised to:
 - 3.1 convene the scheme meeting;
 - 3.2 appoint scrutineers for the purpose of the scheme meeting;
 - 3.3 determine the validity and acceptability of any form of proxy submitted for use at the scheme meeting;
 - 3.4 adjourn the scheme meeting from time to time if the chairman considers it necessary to do so; and
 - 3.5 determine the procedure to be followed at the scheme meeting and any adjournment thereof;
 - 3.6 accept forms of proxy handed to the chairman by not later than 10 minutes before the scheme meeting is due to commence;
4. the Applicant shall cause a notice convening the scheme meeting, substantially in the form of the draft notice attached to the papers before the Court, to be published once in each of the Government Gazette, Business Day, Die Beeld, Sunday Times and Rapport at least 14 (fourteen) calendar days before the date of the scheme meeting. The notice shall state:
 - 4.1 the time, date and venue of the scheme meeting;
 - 4.2 that the scheme meeting has been convened in terms of this Order to consider and, if deemed fit, agree to, with or without modification, the scheme;
 - 4.3 that a copy of this Order, the scheme and the explanatory statement in terms of section 312(1) of the Act may be inspected and copies obtained free of charge during normal business hours at any time prior to the scheme meeting at the registered office of the Applicant, Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton;
 - 4.4 the basic characteristics of the scheme;

- 5.** copies of:
- 5.1** the scheme and the explanatory statement in terms of section 312(1) of the Act substantially in the form of the scheme and explanatory statement attached to the papers before the Court;
 - 5.2** the notice convening the scheme meeting substantially in the form of the notice attached to the papers before the Court;
 - 5.3** the form of proxy to be used at the scheme meeting substantially in the form of the form of proxy attached to the papers before the Court; and
 - 5.4** this Order;
- shall be sent by the Applicant by prepaid post at least 14 (fourteen) calendar days before the date of the scheme meeting to:
- (a) each of the shareholders of the Applicant at their respective addresses as reflected in the Applicant's register of members;
 - (b) those persons named by the Central Securities Depository Participants ("CSDPs") administering sub-registers of the Applicant as being beneficial holders of shares in the Applicant as reflected in the records of the CSDPs,
- at the close of business on a date not more than 4 (four) calendar days before the date of such posting;
- 6.** a copy of the documents referred to in paragraph 5 above shall lie for inspection at, and copies of these documents may be obtained free of charge from, the registered office of the Applicant during normal business hours at the places mentioned in paragraph 4.3 for at least 14 (fourteen) calendar days prior to the date of the scheme meeting;
- 7.** the date of posting of the documents referred to in paragraph 5 above shall be evidenced by an affidavit deposed to by a representative of the Applicant, duly supported by post office receipts;
- 8.** the chairman shall report the results of the scheme meeting by way of affidavit to this Honourable Court on Tuesday, 14 September 2004 at 10:00am or so soon thereafter as Counsel may be heard, which shall give details of:
- 8.1** the number and percentage of scheme members present in person or represented at the scheme meeting;
 - 8.2** the number and percentage of scheme members represented by proxy at the scheme meeting and the number and percentage of shares represented by the chairman in terms of proxies;
 - 8.3** the number and percentage of shares held by all scheme members;
 - 8.4** any proxies which have been disallowed;
 - 8.5** all resolutions passed at the meeting, with particulars of the number and percentage of votes cast in favour of and against each such resolution and of any abstentions, indicating how many and what percentage of votes were cast by the chairman in terms of proxies;
 - 8.6** all rulings made and directions given by the chairman at the scheme meeting;
 - 8.7** the relevant portions of documents and reports submitted or tabled at the scheme meeting which bear on the merits or demerits of the scheme, including copies thereof; and
 - 8.8** the main points of any other proposals which were submitted to the scheme meeting;
 - 8.9** the report required by this Honourable Court from the chairman shall comply with the requirements of section FE of the Practice Manual of this Honourable Court;
- 9.** the Applicant shall make available (and the notice of the scheme meeting which is published and sent to shareholders of the Applicant shall include a statement that it will be so available) a copy of the chairman's report to this Honourable Court free of charge at the Applicant's registered office to any scheme member on request during normal business hours for at least 7 (seven) calendar days prior to the date fixed by this Honourable Court for the chairman to report back to it;

10. registered shareholders who hold certificated ordinary shares in the Applicant and shareholders who hold dematerialised ordinary shares in the Applicant through a CSDP or broker in "own name" registration form who wish to vote by proxy, should tender as their proxy, the form of proxy referred to in paragraph 5.3 of this Order. In addition, forms of proxy may be handed to the chairman up to 10 (ten) minutes before the scheme meeting is due to commence;
11. shareholders who hold certificated ordinary shares in the Applicant through a nominee and shareholders who hold dematerialised ordinary shares in the Applicant through a CSDP or broker not in "own name" registration form should timeously inform their nominees, CSDPs or brokers, as the case may be, to issue them with the necessary authorisations to attend the scheme meeting or should they not wish to attend the scheme meeting in person, to timeously provide their nominees, CSDPs or brokers, as the case may be, with their voting instructions in order for their votes to be represented at the scheme meeting; and
12. the method of calculating any periods specified in this Order shall be as specified in section 4 of the Interpretation Act, 1957.

By the Court

Registrar

NOTICE OF SCHEME MEETING

IN THE HIGH COURT OF SOUTH AFRICA
(WITWATERSRAND LOCAL DIVISION)

Case number 04/16921

In the ex parte application of

REUNERT LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1913/004355/06)

Applicant

Notice is hereby given in terms of an Order of Court dated Tuesday, 10 August 2004 in the above matter that the High Court of South Africa (Witwatersrand Local Division) has ordered, in accordance with section 311 of the Companies Act, 1973 (Act 61 of 1973), as amended, ("the Act"), that a meeting ("the scheme meeting") of the ordinary shareholders of the Applicant, other than Bargenel Investments Limited ("Bargenel"), registered as such at the close of business on Thursday, 2 September 2004 ("scheme members"), be held on Friday, 3 September 2004 at 10:00 at the registered office of the Applicant, Lincoln Wood Office Park, 6-10 Woodlands Drive, Woodmead, Sandton, under the chairmanship of Mr Gareth Walter Driver; or failing him, Mr Morne van der Merwe, or failing both of them any other independent person nominated for that purpose by Bowman Gilfillan Inc. and approved by this Honourable Court, for the purpose of considering and, if deemed fit, of approving, with or without modification, the scheme of arrangement ("the scheme") proposed by the Applicant and Bargenel between the Applicant and its ordinary shareholders, other than Bargenel, provided that the scheme meeting will not be entitled to agree any modification to the scheme that diminishes the rights that are to accrue in terms of the scheme.

The basic characteristic of the scheme is that, upon implementation, 10% of the Reunert ordinary shares ("scheme shares") held by Reunert ordinary shareholders, other than those held by Bargenel, will be acquired by Reunert and Bargenel in terms of sections 85 and 89 of the Act, respectively, and the Reunert ordinary shareholders (other than Bargenel) will receive the scheme consideration of 2 500 cents for each scheme share held on the record date of the scheme, which is expected to be Thursday, 23 September 2004.

Copies of the scheme, the explanatory statement in terms of section 312(1) of the Act explaining the scheme, this notice, the form of proxy to be used at the scheme meeting, and the Order of Court authorising the convening of the scheme meeting are included in the document to which this notice is attached which has been sent to shareholders of the Applicant and copies may be obtained on request from the Applicant at its registered office, Lincoln Wood Office Park, 6 – 10 Woodlands Drive, Woodmead, Sandton, 2196 or the office of the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, during normal business hours from Thursday, 12 August 2004.

Each scheme member who holds certificated ordinary shares or who holds dematerialised ordinary shares through a Central Securities Depository Participant ("CSDP") and has "own name" registration may attend, speak and vote in person at the scheme meeting or may appoint any other person or persons (who need not be a member of the Applicant) as a proxy or proxies to attend, speak and vote in such scheme member's place at the scheme meeting. The necessary form of proxy (*pink*) is included in the document to which this notice is attached. Additional forms of proxy may be obtained on request from the registered office of the Applicant as set out above.

Each scheme member who holds dematerialised ordinary shares and does not have "own name" registration should timeously inform his CSDP or broker should he wish to attend, speak and vote at the scheme meeting or timeously provide his CSDP or broker with his voting instruction in order for the CSDP or broker to vote on his behalf at the scheme meeting.

Each form of proxy should be completed and signed in accordance with the instructions printed thereon and should be lodged with or posted to the abovementioned transfer secretaries to be received not later than 10:00 on Thursday, 2 September 2004, or handed to the chairman of the scheme meeting not later than 10 (ten) minutes before the scheme meeting is due to commence. Where there are joint holders of the Applicant's ordinary shares, any one of such persons may vote at the scheme meeting in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders be present or represented at the scheme meeting, then the one of the said persons whose name stands first in the Applicant's share register or his proxy, as the case may be, shall alone be entitled to vote in respect thereof, as if he were the sole holder of such shares.

In terms of the abovementioned Order of Court, the chairman of the scheme meeting will report the results of such meeting to the above Honourable Court at 10:00 or so soon thereafter as Counsel may be heard on Tuesday, 14 September 2004. A copy of the chairman's report to the Court will be available on request free of charge to any shareholder of the Applicant at the registered office referred to above, during normal business hours for at least 7 (seven) calendar days before the date fixed by the Court for the chairman to report back to it.

The scheme is subject to the fulfillment of certain conditions precedent stated in the scheme, including the sanctioning of the scheme by the above Honourable Court.

Mr Gareth Walter Driver

Chairman of the scheme meeting

Applicant's Attorneys

Bowman Gilfillan Inc.

Up to 20 August 2004:

9th Floor, Twin Towers West, Sandton City

Sandton 2196

Tel: (011) 881-9800

Fax: (011) 883-4505

After 20 August 2004:

165 West Street

Sandton, 2146

Tel: (011) 669-9000

Fax: (011) 669-9001

(PO Box 785812, Sandton, 2146)

Ref: Mr R Cohen/Mr G Rock

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

("Reunert" or "the Company")

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Reunert ordinary shareholders and Reunert 5,5% cumulative preference shareholders will be held at the registered office of the Company, Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton at 10:30 (or 10 minutes after the conclusion or adjournment of the scheme meeting convened to be held at 10:00, whichever is later) on Friday, 3 September 2004, to consider and, if deemed fit, to pass, with or without modification, the following resolutions:

SPECIAL RESOLUTION NUMBER 1

"Resolved as a special resolution that, subject to the passing and registration by the Registrar of Companies of special resolution number 2 set out in the notice convening the general meeting to consider this special resolution, the Company is hereby authorised, by way of a specific authority, in terms of section 85(2) of the Companies Act, 1973 (Act 61 of 1973), as amended ("the Act"), the Listings Requirements of the JSE Securities Exchange South Africa and article 29(a) of the Company's articles of association, to acquire ordinary shares in the issued share capital of the Company for a consideration of 2 500 cents per ordinary share in terms of the scheme of arrangement ("scheme") proposed by the Company and Bargenel Investments Limited ("Bargenel") between the Company and its ordinary shareholders, other than Bargenel, on the basis that the premium over the par value of the shares acquired will be paid out of the share premium account of the Company until such account is reduced to nil and the balance will be paid out of the retained earnings account of the Company."

The reason for special resolution number 1 is to obtain a specific approval in terms of section 85(2) of the Act for the acquisition by the Company of certain of its ordinary shares as proposed in the scheme. The effect of special resolution number 1 is to enable the Company, by way of a specific authority, to acquire its ordinary shares in terms of the scheme.

SPECIAL RESOLUTION NUMBER 2

"Resolved as a special resolution that, subject to the passing and registration by the Registrar of Companies of special resolution number 1 set out in the notice convening the general meeting to consider this special resolution, Bargenel Investments Limited ("Bargenel") is hereby authorised, by way of a specific authority, in terms of the Listings Requirements of the JSE Securities Exchange South Africa ("JSE"), to acquire ordinary shares in the issued share capital of the Company for a consideration of 2 500 cents per ordinary share in terms of the scheme of arrangement ("scheme") proposed by the Company and Bargenel between the Company and its ordinary shareholders, other than Bargenel."

The reason for special resolution number 2 is to obtain a specific approval, as required by the Listings Requirements of the JSE, for the acquisition by the Company's subsidiary, Bargenel, of certain ordinary shares in the Company as proposed in the scheme. The effect of special resolution number 2 is to authorise in terms of the Listings Requirements of the JSE, by way of a specific authority, the Company's subsidiary, Bargenel, to acquire ordinary shares in the Company in terms of the scheme.

ORDINARY RESOLUTION NUMBER 1

"Resolved as an ordinary resolution that any director of the Company be and is hereby authorised to do all such things and sign all such documents as may be required to give effect to special resolution numbers 1 and 2."

VOTING

On a show of hands, every Reunert ordinary shareholder who is present in person or by proxy at the general meeting shall have one vote (irrespective of the number of Reunert ordinary shares held), and on a poll, every Reunert ordinary shareholder shall have one vote for every Reunert ordinary share held or represented.

The Reunert preference shareholders will be entitled to attend the general meeting and to vote only on special resolution number 1 set out above. On a show of hands, every Reunert preference shareholder who is present in person or by proxy at the general meeting shall have one vote (irrespective of the number of Reunert preference shares held), and on a poll, every Reunert preference shareholder who is present in person or by proxy at the general meeting shall have 20 (twenty) votes for every Reunert preference share held or represented.

In terms of the Act, Bargenel is not able to vote at the general meeting.

PROXIES

A Reunert ordinary shareholder or Reunert preference shareholder entitled to attend and vote at the general meeting may appoint one or more persons as its proxy to attend, speak and vote in its stead. A proxy need not be a shareholder of the Company.

A form of proxy (green) is attached for the convenience of certificated shareholders and own name dematerialised shareholders who are unable to attend the general meeting, but who wish to be represented thereat. In order to be valid, duly completed forms of proxy must be received by Reunert's transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) not later than 10:30 on Thursday, 2 September 2004.

Dematerialised shareholders, other than with own name registration, who have not been contacted by their Central Securities Depository Participant ("CSDP") or broker with regard to how they wish to cast their votes, should contact their CSDP or broker and instruct their CSDP or broker as to how they wish to cast their votes at the Reunert general meeting in order for their CSDP or broker to vote in accordance with such instructions. If such dematerialised shareholders wish to attend the Reunert general meeting in person, they must request their CSDP or broker to issue the necessary letter of authority to them. This must be done in terms of the agreement entered into between such dematerialised shareholders and the CSDP or broker.

For and on behalf of the board

REUNERT LIMITED

Reunert Management Services Limited
Company Secretary

Johannesburg
12 August 2004

Registered office

Lincoln Wood Office Park, 6–10 Woodlands Drive
Woodmead
Sandton 2196
(PO Box 784391, Sandton 2146)

Transfer secretaries

Computershare Investor Services 2004 (Proprietary) Limited
Ground Floor
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

REUNERT

REUNERT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

("Reunert" or "the Company")

FORM OF PROXY – SCHEME MEETING

Only for use by Reunert ordinary shareholders who hold their shares in certificated form or who have dematerialised their shares with "own name" registration.

For use by certificated ordinary shareholders and own name dematerialised ordinary shareholders, other than Bargenel Investments Limited ("Bargenel"), registered as such at the close of business on Thursday, 2 September 2004 ("scheme members") at a meeting convened in terms of an Order of the High Court of South Africa (Witwatersrand Local Division) ("the Court") to be held at 10:00 on Friday, 3 September 2004 or any adjournment thereof, at the Company's registered office, Lincoln Wood Office Park, 6–10 Woodlands Drive, Woodmead, Sandton ("the scheme meeting").

I/We

of (address)

being the registered holders of **Reunert ordinary shares** of 10 cents each, appoint (see note 1):

1. _____ or failing him/her;

2. _____ or failing him/her;

3. the chairman of the scheme meeting,

as my/our proxy to act for me/us at the scheme meeting for the purposes of considering and, if deemed fit, agreeing (see note 2)

with modification†

(delete whichever is not applicable)

without modification

to a scheme of arrangement ("the scheme") proposed by Reunert and Bargenel between Reunert and its ordinary shareholders (other than Bargenel) at the scheme meeting, and at each adjournment thereof and to vote for and/or against the scheme and/or abstain from voting in respect of the Reunert ordinary shares registered in my/our name/s, in accordance with the following instructions (see note 5):

Insert an "X" or the number of Reunert ordinary shares		
For the scheme	Against the scheme	Abstain

Signed at _____ on _____ 2004

Signature/s of member/s _____ Telephone number () _____

Full names of member/s and authority of signatory (if applicable) _____

Assisted by (where applicable) _____

(including capacity and full names)

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

† If a scheme member agrees that the scheme may be modified, he/she may indicate the manner and extent of any such modification to which the proxy may agree on a separate sheet of paper which must be lodged at or posted to the address stipulated in note 6 overleaf, together with this form of proxy. In addition, please refer to the conditions stipulated in note 2 overleaf.

Please read the notes on the reverse side hereof.

Notes:

1. A scheme member may insert the name of a proxy or the names of two alternative proxies of his/her choice in the spaces provided with or without deleting "the chairman of the scheme meeting" but any such deletion must be initialled by the scheme member. The person whose name appears first on the form of proxy and who is present at the scheme meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. If a scheme member agrees that the scheme may be modified, the scheme member may indicate the manner and extent of such modification to which the proxy may agree on a separate sheet of paper which must be attached to that Reunert member's form of proxy which is submitted.
3. It should be noted that, notwithstanding that a scheme member indicates that the scheme may not be modified, the chairman (if the chairman of the scheme meeting is an authorised proxy) or any other proxy will nevertheless be entitled to agree to the modification of the scheme in terms of which the scheme consideration is increased.
4. If a scheme member fails to indicate whether the scheme may be agreed to with or without modification, or fails to indicate the manner and the extent of any modification to which the proxy may agree, such failure will be deemed to authorise the chairman of the scheme meeting or any other proxy, to agree to the scheme with or without modification as he deems fit in respect of all the scheme member's votes exercisable at the scheme meeting.
5. Please insert the number of votes exercisable 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 Reunert ordinary shares than you own in Reunert, insert the number of Reunert ordinary shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise and compel the chairman of the scheme meeting, if the chairman of the scheme meeting is the authorised proxy, to vote in favour of the scheme, or to authorise any other proxy to vote for or against the scheme or abstain from voting as he/she deems fit, in respect of all the scheme member's votes exercisable thereat. A scheme member or his/her proxy is not obliged to use all the votes exercisable by the scheme member or his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the scheme member or his/her proxy.
6. Forms of proxy must be lodged with the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by no later than 10:00 on Thursday, 2 September 2004, or such later date as may be announced in the press in relation to any adjournment of the scheme meeting. In addition, forms of proxy may be handed to the chairman of the scheme meeting up to 10 (ten) minutes before the scheme meeting is due to commence.
7. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer secretaries or waived by the chairman of the scheme meeting.
9. The completion and lodging of this form of proxy will not preclude the relevant scheme member from attending the scheme meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such scheme member wish to do so.
10. The chairman of the scheme meeting may accept or reject any form of proxy which is completed and/or received, other than in accordance with these notes and instructions, provided that the chairman of the scheme meeting is satisfied as to the manner in which the scheme member wishes to vote.
11. This form of proxy shall not be valid after the expiration of six months from the date when it was signed.
12. Joint holders – any such persons may vote at the scheme meeting in respect of such joint shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present or represented at the scheme meeting, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, is alone entitled to vote in respect thereof. All joint holders are required to sign the form of proxy.
13. Own name dematerialised ordinary shareholders will be entitled to attend the scheme meeting in person or if they are unable to attend and wish to be represented thereat may complete and return the form of proxy to the transfer secretaries in accordance with the time specified on the proxy form.
14. Reunert ordinary shareholders who hold ordinary shares in Reunert through a nominee, should advise their nominee or, if applicable, their Central Securities Depository Participant ("CSDP") or broker timeously of their intention to attend and vote at the scheme meeting or to be represented by proxy thereat in order for their nominee or, if applicable, their CSDP or broker to provide them with the necessary authorisation to do so or should provide their nominee or, if applicable, their CSDP or broker timeously with their voting instructions should they not wish to attend the scheme meeting in person in order for their nominee to vote in accordance with their instructions at the scheme meeting.

REUNERT

(Incorporated in the Republic of South Africa)
(Registration number 1913/004355/06)
Share code: RLO ISIN: ZAE000005914
("Reunert" or "the Company")

REUNERT LIMITED

FORM OF PROXY – GENERAL MEETING

For use by certificated shareholders or own name dematerialised shareholders at the general meeting of the Company to be held at 10:30 (or 10 minutes after the conclusion or adjournment of the scheme meeting convened to be held at 10:00 at the same venue, whichever is later) on Friday, 3 September 2004 at the registered office of Reunert, Lincoln Wood Office Park, 6-10 Woodlands Drive, Woodmead, Sandton, 2146.

If dematerialised shareholders, other than own name dematerialised shareholders, have not been contacted by their Central Securities Depository Participant ("CSDP") or broker with regard to how they wish to cast their vote, they should contact their CSDP or broker and instruct their CSDP or broker as to how they wish to cast their vote at the general meeting in order for their CSDP or broker to vote in accordance with such instructions. If dematerialised shareholders, other than own name dematerialised shareholders, have not been contacted by their CSDP or broker it would be advisable for them to contact their CSDP or broker, as the case may be, and furnish them with their instructions. Dematerialised shareholders who are not own name dematerialised shareholders and who wish to attend the general meeting must obtain their necessary letter of representation from their CSDP or broker, as the case may be, and submit same to the transfer secretaries to be received by no later than 10:30 on Thursday, 2 September 2004. This must be done in terms of the agreement entered into between the dematerialised shareholder and their CSDP or broker. If the CSDP or broker, as the case may be, does not obtain instructions from such dematerialised shareholders, it will be obliged to act in terms of the mandate furnished to it, or if the mandate is silent in this regard, to abstain from voting. **Such dematerialised shareholders, other than own name dematerialised shareholders, must not complete this form of proxy and should read note 11 overleaf.**

In terms of the Company's articles of association, preference shareholders may only vote on special resolution number 1.

I/We (BLOCK LETTERS)

of

Telephone: (Work) (state area code)

Telephone: (Home) (state area code)

Fax: (state area code)

Cell number:

being the holder(s) of

Reunert ordinary shares and/or

being the holder(s) of

Reunert 5,5% cumulative preference shares

hereby appoint:

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairman of the general meeting,

as my/our proxy to vote for me/us on my/our behalf at the general meeting of Reunert ordinary shareholders and Reunert preference shareholders to be held at 10:30 (or 10 minutes after the conclusion or adjournment of the scheme meeting convened to be held at 10:00, whichever is later) on Friday, 3 September 2004 or any adjournment thereof, as follows:

PART A – TO BE COMPLETED BY ORDINARY SHAREHOLDERS

Resolution	For	Against	Abstain
Special resolution number 1			
Special resolution number 2			
Ordinary resolution number 1			

PART B – TO BE COMPLETED BY PREFERENCE SHAREHOLDERS

Resolution	For	Against	Abstain
Special resolution number 1			

Signed at _____ this _____ day of _____ 2004

Signature _____

Assisted by me (if applicable) _____

Please read the notes on the reverse side hereof.

A member entitled to attend and vote at the general meeting may appoint one or more persons as his/her proxy to attend, speak or vote in his/her stead at the general meeting. A proxy need not be a member of the Company.

On a show of hands, every Reunert ordinary shareholder and preference shareholder shall have one vote (irrespective of the number of Reunert ordinary shares held). On a poll, every Reunert ordinary shareholder shall have one vote for every Reunert ordinary share held or represented and every preference shareholder shall have 20 (twenty) votes for every Reunert preference share held or represented.

Notes:

1. A Reunert ordinary shareholder or Reunert preference shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the spaces provided with or without deleting "the chairman of the general meeting", but any such deletion must be initialled by the Reunert ordinary shareholder or Reunert preference shareholder. The person whose name appears first on the form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert the number of shares 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 Reunert shares exercisable by you, insert the number of Reunert shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise and compel the chairman, if the chairman is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as he/she deems fit, in respect of all the Reunert shareholder's votes exercisable thereat. A Reunert ordinary shareholder and Reunert preference shareholder or its/his/her proxy is not obliged to use all the votes exercisable by the Reunert ordinary shareholder and/or Reunert preference shareholder or its/his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Reunert ordinary shareholder and/or Reunert preference shareholder or its/his/her proxy.
3. Forms of proxy must be lodged with the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by no later than 10:30 on Thursday, 2 September 2004.
4. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
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 Reunert's transfer secretaries or waived by the chairman of the general meeting.
6. The completion and lodging of this form of proxy will not preclude the relevant Reunert ordinary shareholder and/or Reunert preference shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Reunert ordinary shareholder and/or Reunert preference shareholder wish to do so.
7. The chairman of the general meeting may accept or reject any form of proxy which is completed and/or received other than in accordance with these notes and instructions, provided that the chairman is satisfied as to the manner in which the Reunert ordinary shareholder and/or Reunert preference shareholder wishes to vote.
8. This form of proxy shall not be valid after the expiration of six months from the date when it was signed.
9. Joint holders – any such persons may vote at the general meeting in respect of such joint shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present or represented at the general meeting, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, is alone entitled to vote in respect thereof.
10. Shareholders of Reunert who hold Reunert ordinary shares and/or Reunert preference shares that have been dematerialised, and are registered by the CSDP on the sub-register in their own name kept by that CSDP, will be entitled to attend the general meeting in person or, if they are unable to attend and wish to be represented thereat, must complete and return this form of proxy to the transfer secretaries in accordance with the time specified herein.
11. Reunert ordinary shareholders and/or Reunert preference shareholders who hold shares in Reunert through a nominee should advise their nominee or, if applicable, their CSDP or broker timeously of their intention to attend and vote at the general meeting or to be represented by proxy thereat in order for their nominee or, if applicable, their CSDP or broker to provide them with the necessary authorisation to do so or should provide their nominee or, if applicable, their CSDP or broker timeously with their voting instructions should they not wish to attend the general meeting in person, in order for their nominee to vote in accordance with their instructions at the general meeting.

REUNERT

R E U N E R T L I M I T E D

(Incorporated in the Republic of South Africa)

(Registration number 1913/004355/06)

Share code: RLO ISIN: ZAE000005914

("Reunert")

SURRENDER FORM

FOR CERTIFICATED ORDINARY SHAREHOLDERS (ONLY FOR USE BY HOLDERS OF REUNERT ORDINARY SHARES IN CERTIFICATED FORM)

The definitions set out on pages 5 to 7 of the document to holders of Reunert ordinary shares and Reunert preference shares issued on 12 August 2004 have been used in this surrender form.

The surrender of documents of title is only applicable to holders of certificated ordinary shares.

Instructions:

1. A separate form is required for each certificated ordinary shareholder.
2. Part A must be completed by all certificated ordinary shareholders who return this form.
3. Part B must be completed by all certificated ordinary shareholders who are emigrants from or non-residents of the common monetary area.

The transfer secretaries

By hand

Computershare Investor Services 2004 (Proprietary)
Limited
Ground Floor
70 Marshall Street
Johannesburg
2001

By post

Computershare Investor Services 2004 (Proprietary)
Limited
PO Box 61051
Marshalltown
2107

Dear Sirs

I/We hereby surrender and enclose the share certificates, certified transfer deeds and/or other documents of title, details of which have been completed in 5 overleaf, in respect of my/our holding of Reunert ordinary shares.

PART A – All certificated ordinary shareholders must please complete Part A of this form (in BLOCK CAPITALS).

1. Surname or Name of corporate body _____
2. First names (in full) _____
3. Title (Mr/Mrs/Miss/etc.) _____
4. Address to which the scheme consideration and replacement share certificates should be posted (if different from the registered address)

Telephone () _____

Bank account into which the scheme consideration should be transferred for electronic payments (only for certificated ordinary shareholders that have entered into a mandate with the transfer secretaries).

Bank _____

Branch _____

Branch number _____

Account number _____

Account name _____

5. **Share certificates and/or other documents of title surrendered**

Name of registered holder (separate form for each holder)	Certificate number(s)	Number of Reunert ordinary shares
Total		

PART B

1. **To be completed only by certificated ordinary shareholders who are emigrants from or non-residents of the common monetary area.**

Nominated authorised dealer in the case of a certificated ordinary shareholder who is an emigrant from or non-resident of the common monetary area:

Name and address of authorised dealer in South Africa or substitute instructions

Account number

Signature of shareholder

Date _____ 2004 Telephone number () _____

Signatories may be called upon for evidence of their authority or capacity to sign this form.

General notes:

- No receipts will be issued for documents of title lodged, unless specifically requested. In compliance with the requirements of the JSE Securities Exchange South Africa, lodging agents will be requested to prepare special transaction receipts, if required.
- Certificated ordinary shareholders who are emigrants from or non-residents of the common monetary area, whose registered addresses are outside the common monetary area and whose documents of title have been restrictively endorsed under the Exchange Control Regulations should nominate an authorised dealer in Part B of this form as referred to in paragraph 10 of the explanatory statement of the document to which this form is attached.
- Any alteration to this form must be signed in full and not initialled.
- If this form is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this form for noting (unless it has already been noted by Reunert or the transfer secretaries).
- Where the certificated ordinary shareholder is a company or a close corporation, unless it has already been registered with Reunert or the transfer secretaries, a certified copy of the directors' or scheme members' resolution authorising the signing of this form must be submitted if so requested by Reunert.
- Where there are joint holders of any certificated ordinary shares, only that holder whose name stands first in the register in respect of such shares need sign this form.

