



NOTICE OF ANNUAL GENERAL MEETING AND PROXY

CLOVER INDUSTRIES LIMITED

(Registration number 2003/030429/06)
(Incorporated in the Republic of South Africa)
(Ordinary share code code: CLR)
(ISIN code: ZAE000152377)
(*the Company*)

A Notice

Notice is hereby given of the Annual General Meeting (the "Annual General Meeting") of Clover Industries Limited to be held at 200 Constantia Drive, Constantia Kloof on Tuesday, 26 November 2013, at 10h00 or any adjournment/postponement thereof.

Shareholders or their proxies may participate in the Annual General Meeting by way of a teleconference call and, if they wish to do so:

- Must contact the Company Secretary (by email at the address jacques.vanheerden@clover.co.za) by no later than 12h00 on Thursday, 21 November 2013, in order to obtain a PIN number and dial-in details for that conference call.
- Will be required to provide reasonably satisfactory identification (forms of which include valid identity documents, driver's licences and passports).
- Will be billed separately by their own telephone service providers for their telephone call to participate in the Annual General Meeting.

B. Who may attend and vote

The Board of Directors of the Company has determined that the record date for the purpose of determining which shareholders of the Company are entitled to receive notice of the Annual General Meeting is Friday, 20 September 2013, and the record date for purposes of determining which shareholders of the Company are entitled to vote at the Annual General Meeting is Friday, 15 November 2013. Accordingly, only shareholders who have traded by the last trading day, being Friday, 8 November 2013, and are registered in the securities register of the Company on Friday, 15 November 2013, will be entitled to attend, participate in, and vote at the Annual General Meeting.

Holders of ordinary shares will be entitled to vote on all of the resolutions put to shareholders at the Annual General Meeting.

If you hold dematerialised shares which are registered in your name or if you are the registered holder of certificated shares:

- You may attend the Annual General Meeting in person; or
- Alternatively, you may appoint a proxy (who need not be a shareholder of the Company) to represent you at the Annual General Meeting by completing the attached form of proxy in accordance with the instructions it contains and returning it to the transfer secretaries to be received by not later than 10h00 on Monday, 25 November 2013.

If you hold dematerialised shares which are not registered in your name:

- And wish to attend the Annual General Meeting, you must obtain the necessary letter of authority from your CSDP or broker.
- And do not wish to attend the Annual General Meeting but would like your vote to be recorded at the Annual General Meeting, you should contact your CSDP or broker and furnish them with your voting instructions.
- You must not complete the attached form of proxy.

All meeting participants will be required to provide reasonably satisfactory identification (forms of which shall include valid identity documents, driver's licences and passports) to the Chairman of the Annual General Meeting.

C. Purpose of the meeting

The purpose of the Annual General Meeting is to conduct the following business:

- To present and note -
 - The Annual Financial Statements of the Company for the year ended 30 June 2013, which Annual Financial Statements have been mailed together

with this notice of the Annual General Meeting and is also available on the Company's website (www.clover.co.za) ("Annual Financial Statements").

- The Directors' report on the Annual Financial Statements.
- The Audit and Risk Committee's report relating to the Annual Financial Statements.
- To note the retirement of certain Directors, in terms of the Company's Memorandum of Incorporation (the "MOI"), and to present and vote on the re-election of those same Directors.
- To present and vote on -
 - The re-appointment of the Independent External Auditors for the year ending 30 June 2014.
 - The election of an independent Audit and Risk Committee.
- To provide the Chairman of the Social and Ethics Committee with an opportunity to report back to the shareholders as provided for in regulation 43 of the Companies Act.
- To consider and, if deemed fit, pass, with or without modification, all the resolutions set out below.

A Normal business

1 Ordinary resolution number 1: Adoption of Annual Financial Statements

1.1 Resolution

To receive, consider and adopt the Company's audited Annual Financial Statements and Group audited Annual Financial Statements, including the Directors' report, auditor's report, report by the Audit and Risk Committee and the report by the Social and Ethics Committee for the year ended 30 June 2013.

1.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at this meeting is required.

2 Ordinary resolution number 2: Re-election of Directors who have retired by rotation

2.1 Resolution

To re-elect, as separate resolutions, each of the following Directors (who are retiring, but are eligible for and have offered their services for re-election) in terms of article 36 of the MOI, namely –

- (a) Dr SF Booysen as an Independent Non-executive Director of the Company;
- (b) Adv JNS Du Plessis as an Independent Non-executive Director of the Company; and
- (c) Mr NA Smith as a Non-executive Director of the Company.

2.2 Approval

Each of these resolutions will be considered by way of a separate vote and in order for each ordinary resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at this meeting is required.

2.3 A brief biography of each of Dr SF Booysen, Adv JNS Du Plessis and Mr NA Smith is set out below –

2.3.1 Dr SF Booysen obtained a doctorate degree in commerce from the University of Pretoria and is a qualified Chartered Accountant. He was the Group Chief Executive Officer of ABSA Bank Limited from 2004 to 2009.

2.3.2 Adv JNS du Plessis obtained a BCom LLB degree from the University of Stellenbosch. He was admitted as counsel during 1974 and took silk in 1989. He has occasionally served as an acting judge of the High Court. He has been a non-executive director of the Steinhoff Group Services Team and as an alternate executive director with effect from 1 March 2008.

2.3.3 Mr NA Smith has been a dairy farmer for 33 years. He is a trustee of the Sunnyside Farming Trust, which is a Clover shareholder and milk supplier. Mr NA Smith has also been involved in many facets of agriculture for many years, including being part of Amadlelo Agri, a company creating profitable black empowered agri businesses, specifically in dairy.

3 Ordinary resolution number 3: Appointment of New Independent Non-executive Directors

3.1 Resolution

To confirm, as separate resolutions the appointment of Ms NV Mokhesi and Ms B Ngonyama as Independent Non-executive Directors.

3.2 Approval

Each of these resolutions will be considered by way of a separate vote and in order for these ordinary resolutions to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at this meeting is required.

3.3 A brief biography of each of Ms NV Mokhesi and Ms B Ngonyama is set out below –

3.3.1 Ms NV Mokhesi obtained a BCom degree from the National University of Lesotho. She was a member of the executive committee at the Industrial Development Corporation of South Africa for 12 years.

3.3.2 Ms Babalwa Ngonyama is a graduate of the University of Transkei and is a qualified Chartered Accountant. She also obtained her Master's in Business Administration from Bond University in 2002 and completed the *Women in Leadership Programme* at Harvard University. She was a former partner at Deloitte and Touche.

4 Ordinary resolution number 4: Re-appointment of Independent External Auditors

4.1 Resolution

Ernst & Young Inc. is re-appointed, upon the recommendation of the current Audit and Risk Committee, as the independent registered auditors of the Company, and to note that the individual registered auditor who will undertake the audit during the ensuing financial year ending 30 June 2014 will be Mr SJJ Strydom.

4.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at this meeting is required.

5 Ordinary resolution number 5: Approval of the Group Remuneration Policy

5.1 Resolution

The Company's Group Remuneration Policy, as described in the Report on Remuneration on pages 58 to 60 of the Integrated Annual Report (mailed together herewith), is endorsed by way of a non-binding advisory vote as recommended in the King III Code of Corporate Governance for South Africa 2009.

5.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at this meeting is required.

6 Ordinary resolution number 6: Election of Independent Audit and Risk Committee

6.1 Resolution

To elect, as separate resolutions and, in the case of Dr SF Booysen, Adv JNS Du Plessis and Ms B Ngonyama, subject to the passing of ordinary resolutions number 2 and 3,

- (i) Dr SF Booysen;
- (ii) Adv JNS Du Plessis;
- (iii) Ms B Ngonyama; and
- (iv) Mr TA Wixley;

who are Independent Non-executive Directors of the Company, as the members of the Company's Audit and Risk Committee for the ensuing year. As is evident from the biographies (which appear below) of these Directors, they have the required qualification and/or experience to fulfil their duties as committee members.

6.2 A brief biography of each of Dr Booysen, Adv Du Plessis, Ms B Ngonyama and Mr TA Wixley is set out below.

6.2.1 Dr SF Booysen obtained a doctorate degree in commerce from the University of Pretoria and is a qualified Chartered Accountant. He was the Group Chief Executive Officer of ABSA Bank Limited from 2004 to 2009.

6.2.2 Adv JNS du Plessis obtained a BCom LLB degree from the University of Stellenbosch. He was admitted as counsel during 1974 and took silk in 1989. He has occasionally served as an acting judge of the High Court. He has been a non-executive director of the Steinhoff Group Services Team and as an alternate executive director with effect from 1 March 2008.

6.2.3 Ms Babalwa Ngonyama is a graduate of the University of Transkei and is a qualified Chartered Accountant. She also obtained her Master's in Business Administration from Bond University in 2002 and completed the Women in Leadership Programme at Harvard University. She was a former partner at Deloitte and Touche.

6.2.4 Mr TA Wixley was appointed as the Company's Lead Independent Director by the Board. He obtained a Bachelor of Commerce degree from the University of Cape Town in 1959 and is a Chartered Accountant (South Africa). He was with Ernst & Young and its predecessor firms for 41 years – 31 as a partner and as Chairman

the last 10 years. He is a member of SAICA's committee on corporate law, the Actuarial Governance Board and the King III sub-committee on directors and boards.

6.3 Approval

Each of these resolutions will be considered by way of a separate vote and in order for these ordinary resolutions to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at this meeting is required.

B Special business

1 Special resolution number 1: General authority to repurchase shares

1.1 Resolution

The Company and/or any of its subsidiaries be and is hereby authorised by way of a general authority to acquire, from time to time, ordinary shares issued by the Company, on such terms and conditions as the Directors may deem fit, and in terms of the MOI, section 48 of the Companies Act and the JSE Listings Requirements, provided that:

1.1.1 Such acquisitions shall be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter party (reported trades are prohibited).

1.1.2 Such general authority shall be valid only until the next Annual General Meeting of the Company or the variation or revocation of such general authority by special resolution at any subsequent general meeting of the Company, provided that it shall not extend beyond 15 months from the date of passing of this resolution.

1.1.3 Such repurchase may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the shares for the 5 (five) business days immediately preceding the date on which the repurchase is affected. The JSE shall be consulted for a ruling if the Company's securities have not traded in such 5-day period.

1.1.4 When the Company has cumulatively repurchased 3% (three percent) of the initial number (the number of that class of shares in issue at the time that general authority from shareholders is granted) of the relevant class of shares, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, an announcement must be made giving the details required in terms of the JSE Listings Requirements in respect of such repurchase.

1.1.5 The Company has been given authority by the MOI.

1.1.6 No repurchases of shares shall be effected during a prohibited period as contemplated in the JSE Listings Requirements, unless a repurchase programme is in place, where dates and quantities of shares to be traded during the prohibited period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period.

1.1.7 The Company only appoints one agent to effect any repurchase(s) on its behalf.

1.1.8 The aggregate of such acquisitions may not, in any one financial year, exceed 20% (twenty percent) of the Company's issued share capital of that class as at the beginning of the financial year.

1.1.9 A resolution has been passed by the Board of Directors confirming that the Board has authorised the general repurchase, that the Company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Company and Group.

1.1.10 The Company undertakes that it will not enter the market to acquire the Company's shares until the Company's sponsor has provided written confirmation to the JSE regarding the adequacy of the Company's working capital in accordance with schedule 25 of the JSE Listings Requirements.

1.1.11 Any such general repurchases are subject to exchange control regulations and approval at that point in time.

1.1.12 The aggregate of such acquisitions held by subsidiaries of the Company may not exceed 10% (ten percent) of the Company's issued share capital at any one time.

1.2 Explanation

The reason for and effect of this special resolution is to authorise the Company and/or any of its subsidiaries by way of a general authority, in terms of section 48 of the Companies Act and paragraph 5.72 of the Listings Requirements, to acquire the shares issued by it on such terms as

the Directors may deem fit. Any shares acquired as aforesaid by the Company (as opposed to its subsidiaries) shall be cancelled and restored to the status of authorised but unissued shares in the capital of the Company.

Statement of Board's intention

The Directors of the Company have no specific intention to give effect to the provisions of special resolution number 1, but will, however, continually review the Company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect the provisions of special resolution number 1.

1.3 Approval

In order for this special resolution to be adopted, the support of at least 75% of the total number of votes, which the shareholders present or represented by proxy at this meeting are entitled to cast, is required.

2 Special resolution number 2: Remuneration of Non-executive Directors

2.1 Resolution

To approve the Non-executive Directors' remuneration commencing with effect from 1 July 2013 and as indicated below:

2.1.1	Board	Informal responsibilities	Retainer and meeting	Services rendered which fall outside scope of services	Total fees
2.1.2	Chairman	R22 900	R1 015 500	R1 750 per hour	R1 038 400
2.1.3	Lead Independent Director	R22 900	R760 200	R1 750 per hour	R783 100
2.1.4	Vice-chairman	R22 900	R322 900	R1 750 per hour	R345 800
2.1.5	Board members	R22 900	R256 600	R1 750 per hour	R288 500
	* The Chairman and Lead Independent Director's fees include the Board and all committee membership				
2.2 Committees	Attendance Fee				
2.2.1	Audit and Risk Committee				
	(a) Chairman	R43 900 (currently not applicable)			
	(b) Member	R29 300			
2.2.2	Remuneration Committee				
	(a) Chairman	R41 200			
	(b) Member	R18 700			
2.2.3	Social and Ethics Committee				
	(a) Chairman	R41 200 (currently not applicable)			
	(b) Member	R18 700			
2.2.4	Nomination Committee				
	(a) Chairman	R21 900 (currently not applicable)			
	(b) Member	R14 600			
2.2.5	Other Sub-committees				
	(a) Chairman	R21 900			
	(b) Member	R14 600			
2.2.6	Ad hoc Committees/Ad hoc Board meetings				
	(A) Chairman	R12 000			
	(b) Member	R8 000			
2.3 Explanation	The reason for and the effect of this special resolution is to grant the Company authority to pay remuneration to its Non-executive Directors for their services as Directors of the Company with effect from 1 July 2013.				
2.4 Approval	In order for this special resolution to be adopted, the support of at least 75% of the total number of votes which the shareholders present or represented by proxy at this meeting are entitled to cast is required.				

3 Special resolution number 3: Financial assistance in terms of section 45 of the Companies Act

3.1 Resolution

The Company and/or any of its subsidiaries be and is hereby authorised by way of a general authority to provide, from time to time, subject to the provisions of section 45 of the Companies Act, financial assistance in any form or amount to any company or corporation which is related or inter-related to the Company (as defined in the Companies Act), on the terms and conditions that the Board of Directors may determine from time to time.

3.2 Explanation

The reason for and the effect of this special resolution is to grant the Company the authority to provide financial assistance by way of loans, guarantees, the provision of security or otherwise, to any company which is related or inter-related to the Company i.e. its subsidiaries. The special resolution does not authorise the provision of financial assistance to a Director or prescribed officer of the Company.

3.3 Approval

In order for this special resolution to be adopted, the support of at least 75% of the total number of votes which the shareholders present or represented by proxy at this meeting are entitled to cast is required.

C Other business

1 To transact such other business as may be transacted at an Annual General Meeting.

Disclosure required in terms of the JSE Listings Requirements relating to special resolutions number 1 and 3

Solvency and Liquidity Statement

The Board of Directors of the Company confirm that the Company will not commence a general repurchase of shares in respect of special resolution number 1 or provide financial assistance in accordance with special resolution number 3 unless,

for a period of 12 months after the date of the general repurchase or provision of financial assistance as contemplated in special resolutions 1 and 3:

- The Company and the Group's assets will be in excess of the liabilities of the Company and the Group. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act.
- The share capital and reserves of the Company and the Group will be adequate for ordinary business purposes.
- The working capital available to the Company and the Group will be adequate for the ordinary business purposes.
- The Company and the Group will be able to pay their debts as they become due in the ordinary course of business.

Directors' responsibility statement

The Directors, whose names are given on pages 17 to 19 of the Integrated Annual Report for 2013, collectively and individually accept full responsibility for the accuracy of the information given in special resolutions number 1 and 3 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the JSE Listings Requirements.

General information

- Information relating to the Directors and management of the Company can be found on pages 17 to 19 of the Integrated Annual Report for 2013.
- Information relating to the major shareholders of the Company can be found on page 14 of the Integrated Annual Report for 2013.
- Information relating to the Directors' interests in the Company can be found on page 122 of the Integrated Annual Report for 2013.

- Information relating to the share capital of the Company can be found on pages 114 to 115 of the Integrated Annual Report for 2013.
- There are no legal or arbitration proceedings which may have, or have had in the recent past, being the 12-months preceding the date of this notice, a material effect on the financial position of the Company and the Company is not aware of any such pending or threatened proceedings.
- There have been no material changes in the financial or trading position of the Company and the Group since the date of the audit report and the signature of this notice.

Proxy appointments

Any shareholder who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend, speak and, on a poll or by show of hands, vote in his or her stead. A proxy need not be a shareholder of the Company. Forms of proxy must be received by the transfer secretaries, Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), telefacsimile number (011) 688-5238, by not later than 10h00 on Monday, 25 November 2013. Any form of proxy not received by this time must be handed to the Chairperson of the Annual General Meeting immediately prior to the Annual General Meeting.

Interpretation of this notice

- All references in this notice of Annual General Meeting to the "JSE Listings Requirements" mean the Listings Requirements of the JSE Limited, as amended from time to time and as interpreted and applied by the JSE Limited.
- All references in this notice of Annual General Meeting to the "Companies Act" mean the "Companies Act, No 71 of 2008, as amended".

By order of the Board



J van Heerden
Company Secretary

27 September 2013