



NOTICE OF ANNUAL GENERAL MEETING AND PROXY

NOTICE OF ANNUAL GENERAL MEETING

CLOVER INDUSTRIES LIMITED

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

A. Notice

Notice is hereby given of the annual general meeting (the "Annual General Meeting") of the Company to be held at 200 Constantia Drive, Constantia Kloof on Friday, 28 November 2014, at 10:00 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 12:00 on Friday, 21 November 2014, 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); and
- 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 (the "Board") has determined that the record date for the purpose of determining which shareholders of the Company (the "Shareholders") are entitled to receive notice of the Annual General Meeting is Friday, 19 September 2014, and the record date for purposes of determining which Shareholders are entitled to attend and vote at the Annual General Meeting is Friday, 21 November 2014. Accordingly, only Shareholders who have traded by the last trading day, being Friday, 14 November 2014, and are registered in the securities register of the Company on Friday, 21 November 2014, will be entitled to attend, participate in, and vote at, the Annual General Meeting.

Holders of ordinary shares in the Company 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
- you may appoint a proxy (who need not be a Shareholder) 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 no later than 10:00 on Thursday, 27 November 2014. Any forms of proxy not lodged by this time must be handed to the chairman of the Annual General Meeting ("Chairman") immediately prior to the commencement of Annual General Meeting.

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

- and wish to attend the Annual General Meeting in person, you must obtain the necessary letter of authority from your CSDP or broker to do so;
- 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; and
- 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.

C. Purpose of the Annual General Meeting

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

- to present and note the consolidated audited annual financial statements of the Company and the Clover group for the financial year ended 30 June 2014 ("Annual Financial Statements"), which Annual Financial Statements form part of, and are contained in, the Integrated Annual

Report for 2014 attached to this notice of the Annual General Meeting. This notice of Annual General Meeting and the Integrated Annual Report for 2014 are also available on the Company's website (www.clover.co.za);

- to note the retirement by rotation of certain directors as contemplated in the Company's Memorandum of Incorporation (the "MOI"), and to present and vote on the re-election of those same directors;
- to present and elect for appointment a new non-executive director of the Company whom was appointed by the Board to fill a casual vacancy in terms of the MOI;
- to present and vote on:
 - the reappointment of the independent external auditors for the financial year ending 30 June 2015; and
 - the election of the members of the independent audit and risk committee of the Company ("Independent Audit And Risk Committee");
- to approve the Clover group remuneration policy ("Clover Group Remuneration Policy");
- to provide the chairman of the social and ethics committee ("Social and Ethics Committee") with an opportunity to report back to the Shareholders as provided for in regulation 43 of the Companies Regulations;
- to approve amendments to The Restated Share Appreciation Rights Plan previously approved by the Shareholders; and
- to consider and, if deemed fit, pass, with or without modification, all the resolutions set out below.

D. Normal business

1. Ordinary resolution number 1: Presentation of Annual Financial Statements

1.1 Resolution

To receive and note the Annual Financial Statements, including the Directors' report, the Auditor's report, report by the Audit and Risk Committee and the report by the Social and Ethics Committee, for the financial year ended 30 June 2014, as contained in the Integrated Annual Report for 2014, in accordance with the provisions of the Companies Act.

1.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

2. Ordinary resolution number 2: Re-election of Mr. WI Büchner (a director who has retired by rotation) as a non-executive director

2.1 Resolution

To re-elect Mr. WI Büchner (a retiring director of the Company, eligible for, and who has offered his services for, re-election) as a non-executive director of the Company, in terms of clause 36 of the MOI.

2.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

2.3 A brief biography of Mr. WI Büchner is set out below:

Mr. WI Büchner obtained a Bachelor of Engineering degree in 1989. He is a milk producer who has been farming in the Eastern Cape since 1994. Prior to 1994, he was First Engineer at Eloptro (Denel) for a period of five years.

3. Ordinary resolution number 3: Re-election of Ms. B Ngonyama (a director who has retired by rotation) as independent non-executive director

3.1 Resolution

To re-elect Ms. B Ngonyama (a retiring director of the Company, eligible for, and who has offered

her services for, re-election) as an independent non-executive director, in terms of clause 36 of the MOI.

3.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

3.3 A brief biography of Ms. B Ngonyama is set out below:

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

4. Ordinary resolution number 4: Re-election of Mr. TA Wixley (a director who has retired by rotation) as an independent non-executive director

4.1 Resolution

To re-elect Mr. TA Wixley (a retiring director of the Company, who is eligible for, and who has offered his services for, re-election) as an independent non-executive director of the Company, in terms of clause 36 of the MOI.

4.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

4.3 A brief biography of Mr. TA Wixley is set out below:

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 EY and its predecessor firms for 41 years (31 as a partner and as chairman for the last 10 years). He is a member of SAICA's committee on corporate law and the Actuarial Governance Board.

5. Ordinary resolution number 5: Appointment of new non-executive director

5.1 Resolution

To elect Mr. PR Griffin as a non-executive director of the Company.

5.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

5.3 A brief biography of Mr. PR Griffin is set out below:

Mr. PR Griffin has been a milk producer since 1982 and was the chairman of National Clover Producers Forum for two years. He obtained a BSc Agric (Hon) degree in Agricultural Economics from the University of Natal in 1981. Mr. PR Griffin was appointed as a director by the Board on 13 March 2014 to fill a casual vacancy in terms of the MOI.

6. Ordinary resolution number 6: Re-appointment of Independent External Auditors

6.1 Resolution

To re-appoint EY Inc. upon the recommendation of the current Audit and Risk Committee 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 2015 will be Mr. SJJ Strydom.

6.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

7. Ordinary resolution number 7: Election of Dr. SF Booysen as a member of the Independent Audit and Risk Committee

7.1 Resolution

To elect Dr. SF Booysen, who is an independent non-executive director of the Company, as a member of the Company's Audit and Risk Committee for the ensuing year. As is evident from Dr. SF Booysen's biography (which appears below), he has the required qualification and/or experience to fulfil his duties as a committee member.

7.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

7.3 A brief biography of Dr. SF Booysen is set out below:

Dr. SF Booysen obtained a doctorate degree in commerce from the University of Pretoria and is a qualified Chartered Accountant (South Africa).

He was the Group Chief Executive Officer of Absa Bank Limited from 2004 to 2009.

8. Ordinary resolution number 8: Election of Adv. JNS du Plessis as a member of the Independent Audit and Risk Committee

8.1 Resolution

To elect Adv. JNS du Plessis, who is an independent non-executive director of the Company, as a member of the Company's Audit and Risk Committee for the ensuing year. As is evident from Adv. JNS du Plessis's biography (which appears below), he has the required qualification and/or experience to fulfil his duties as a committee member.

8.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

8.3 A brief biography of Adv. JNS du Plessis is set out below:

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 is employed by and serves on the board of Steinhoff International Proprietary Limited.

9. Ordinary resolution number 9: Election of Ms. B Ngonyama as a member of the Independent Audit and Risk Committee

9.1 Resolution

To elect Ms. B Ngonyama, who is an independent non-executive director of the Company, as a member of the Company's Audit and Risk Committee for the ensuing year (subject to the passing of ordinary resolution number 3 above). As is evident from Ms. B Ngonyama's biography

(which appears below), she has the required qualification and/or experience to fulfil her duties as a committee member.

9.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

9.3 A brief biography of Ms. B Ngonyama is set out below:

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

10. Ordinary resolution number 10: Election of Mr. TA Wixley as a member of the Independent Audit and Risk Committee

10.1 Resolution

To elect Mr. TA Wixley, who is an independent non-executive director of the Company, as a member of the Company's Audit and Risk the ensuing year (subject to the passing of ordinary resolution number 4 above). As is evident from Mr. TA Wixley's biography (which appears below), he has the required qualification and/or experience to fulfil his duties as a committee member.

10.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

10.3 A brief biography of Mr. TA Wixley is set out below:

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 EY and its predecessor firms for 41 years (31 as a partner and as chairman for the last 10 years). He is a member of SAICA's committee on corporate law and the Actuarial Governance Board.

11. Ordinary resolution number 11: Approval of the Clover Group Remuneration Policy

11.1 Resolution

To endorse the Clover Group Remuneration Policy, as described in the Report on Remuneration on pages 54 to 69 of the Integrated Annual Report for 2014, by way of a non-binding advisory vote as recommended in the King III: Code on Governance for South Africa 2009.

11.2 Approval

In order for this ordinary resolution to be adopted, the support of a majority of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

12. Ordinary resolution number 12: Amendments to the Restated Clover Share Appreciation Rights Plan (2010) ("Plan")

12.1 Resolution

To approve the amendments to the Restated Clover Share Appreciation Rights Plan as contained in the third addendum to the Plan to be placed before the Annual General Meeting, and initialled by the Chairman for the purposes of identification.

12.2 Explanation

The reason for and effect of this ordinary resolution 12 is to approve the amendments to the Plan so that:

- the reference in the Plan to the "Stabilisation Trust" is to be updated to reflect the new name of such trust, namely the "Milk Producer Trust"; and
- the provisions of the Plan, which currently stipulate that if 30% of the entire issued share capital of the Company is acquired by any person acting in concert, other than the Clover Milk Producer Trust and/or the participants ("Change of Control"), all of the share appreciation rights ("SARs") allocated to a participant shall immediately vest in that participant and be exercisable in accordance with the terms of the Plan, be amended so that, in the event of a Change of Control, only the proportionate number of SARs allocated to a participant on or after 1 January 2014, having regard to (i) the period of time that has lapsed between the allocation date and the vesting date at the time of the Change of Control and (ii) the extent to which the performance criterion (if any) have been satisfied as at the date of the Change of Control, as may be determined by the Remuneration and Nomination Committee ("Remco") to be fair and reasonable to the participants concerned; provided that should (i) a dispute arise between the participants and Remco, such dispute shall be referred to the Board for determination and (ii) should such dispute not be resolved within a period of 60 (sixty) days from such referral to the Board the dispute shall be referred to the expert in terms of clause 15 of the Plan for final determination.

The Plan as well as the third addendum containing the amendments to the Plan will be available for inspection during normal business hours from 16:00 at the Company's registered office at 200 Constantia Drive, Constantia Kloof between the date of this notice and the date of the Annual General Meeting. Shareholders requiring a hard or electronic copy can request such from the company secretary at jacques.vanheerden@clover.co.za.

12.3 Approval

In order for this ordinary resolution to be adopted, in accordance with provisions of the JSE Listings Requirements, the support of 75% of the total number of votes, which the Shareholders present or represented by proxy at this Annual General Meeting are entitled to cast, is required.

E. 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/are 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 Board may deem fit, 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 counterparty (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 effected. The JSE shall be consulted for a ruling if the Company's securities have not traded in such five-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 at any one time;
- 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 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 the Clover 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; and
- 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 Board 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.

1.3 Statement of Board's intention

The Board has 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.

1.4 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 Annual General 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 2014 and as indicated below:

Board	Informal responsibilities	Retainer and meeting	Services rendered which fall outside scope of services	Total fees
Chairman	R24 500	R1 086 500	R1 870 per hour	R1 111 000
Lead Independent Director	R24 500	R813 400	R1 870 per hour	R837 900
Vice chairman	R24 500	R345 500	R1 870 per hour	R370 000
Board members	R24 500	R274 500	R1 870 per hour	R299 000

- The chairman and Lead Independent Director's fees include the Board and all committee membership.

Committees	Attendance fee
Audit and Risk Committee	
(a) chairman	R46 970
(b) member	R31 350 (currently not applicable)
Remuneration Committee	
(a) chairman	R44 080
(b) member	R20 000
Social and Ethics Committee	
(a) chairman	R44 080 (currently not applicable)
(b) member	R20 000
Nomination Committee	
(a) chairman	R23 430 (currently not applicable)
(b) member	R15 620
Other subcommittees	
(a) chairman	R23 430
(b) member	R15 620
Ad hoc Committees/Ad hoc Board meetings	
(a) chairman	R12 840
(b) member	R8 560

2.2 Explanation

The reason for and the effect of this special resolution is to grant the Company the authority to pay remuneration to its non-executive directors for their services as directors of the Company with effect from 1 July 2014.

2.3 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 Annual General Meeting are entitled to cast, is required.

F. Other business

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 resolution number 1.

Solvency and liquidity statement

The Board confirms that the Company will not commence a general repurchase of shares in respect of special resolution number 1 unless, for a period of 12 months after the date of the general repurchase as contemplated in special resolution 1:

- the Company and the Clover group's assets will be in excess of the liabilities of the Company and the Clover 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 Clover group will be adequate for ordinary business purposes;
- the working capital available to the Company and the Clover group will be adequate for ordinary business purposes; and
- the Company and the Clover 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 16 to 18 of the Integrated Annual Report for 2014, collectively and individually accept full responsibility for the accuracy of the information given in special resolution number 1 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 special resolution number 1 contains all information required by law and the JSE Listings Requirements.

General information

- The Annual financial Statements can be found on page 106 to 197 of the Integrated Annual Report for 2014;
- Information relating to the directors and management of the Company can be found on pages 16 to 18 of the Integrated Annual Report for 2014;
- Information relating to the major Shareholders can be found on page 14 of the Integrated Annual Report for 2014;
- Information relating to the directors' interests in the Company can be found on pages 191 to 195 of the Integrated Annual Report for 2014;
- Information relating to the share capital of the Company can be found on pages 165 to 167 of the Integrated Annual Report for 2014;
- There are no legal or arbitration proceedings which may have, or have had in the recent past, being the period of 12 months preceding the date of this notice of Annual General Meeting, a material effect on the financial position of the Company and the Clover group and the Company is not aware of any such pending or threatened proceedings; and
- 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.

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 +27 11 688 5238, by no later than 10:00 on Thursday, 27 November 2014. Any form of proxy not received by this time must be handed to the Chairman immediately prior to the commencement of 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;
- "Companies Act" mean the Companies Act, No 71 of 2008, as amended; and
- "Company Regulations" means the Companies Regulations, 2011, as amended.

By order of the Board



J van Heerden
Company Secretary

26 September 2014