

Sabie River Share Block Limited

DRAFT Minutes of the Annual General Meeting of Shareholders for the Year Ended 31 December 2016, held on Tuesday 25 July 2017 at 13h10, in the Imvubu 3 Room, Garden Court OR Tambo International Airport, Kempton Park

1 WELCOME, NOTICE OF MEETING, ATTENDANCE AND APOLOGIES

The Chairman thanked the Shareholders for a wonderful turnout and requested that they sign the attendance register to record their presence. The Chairman welcomed all to the Annual General Meeting of Sabie River Share Block Proprietary Limited. He was pleased to advise that the Company's Memorandum of Incorporation (MOI) had been approved by the Companies and Intellectual Property Commission (CIPC). This resulted in a new and lower quorum, which stated that at any General Meeting, there shall be no less than 4 Members, comprising at least 3 A, C and D Class Members and 1 B Class Member holding at least 5% of the share capital, who were entitled to vote and who were present in person or by proxy at the commencement and throughout this Meeting. Notwithstanding the foregoing, no quorum would be regarded as having been properly constituted at any General Meeting of the Company, unless a B Class Member was present, as Chairman. The Chairman thanked the Secretary and the team for finalising the new MOI.

2 ESTABLISHMENT OF A QUORUM

The Chairman noted that there was a quorum of approximately 6% for this Annual General Meeting and declared the Meeting duly constituted. There were no additional proxies from the floor. The Chairman noted that this was the first Meeting after many years where a quorum had been achieved and that this was also his first Annual General Meeting as Chairman. Apologies had been received from fellow Director, Jaco Boshoff.

The Chairman mentioned that it was a great pleasure having worked with this great Board of Directors and his Management team over the past year. He thanked them for their input and introduced the team as follows:

Anthony Ridl	- Shareholder and Director, representing the A and C Class Shareholders
Ajith Ramsarup	- Shareholder and Director, representing the A and C Class Shareholders
Raymond Jeffray	- Shareholder and Director, representing the A and C Class Shareholders
Ian Cruickshank	- Shareholder and Director, representing the A and C Class Shareholders
Lubabalo Tyali	- Director representing the B Class Shareholders
Peter Pienaar	- General Manager of SunSwop and Director, representing the B Class Shareholder
Warren Whiteboy	- Southern Sun Resorts Financial Manager and Director, representing the B Class Shareholders
Wayne Wilson	- Resort General Manager and Director, representing the B class Shareholders
Georgina Stevenson	- Southern Sun Company Secretary
Lisa Sutton	- Secretary to the Company Secretary

As at previous Annual General Meetings, the Chairman would Chair the Meeting for the adoption of the previous year's Minutes and thereafter for the remainder of the Meeting, beginning with the election of the Directors, Mr Cruickshank would take over the Chair for matters concerning the A and C Class Shareholders.

3 MINUTES OF PREVIOUS ANNUAL GENERAL MEETINGS

In light of the fact that there was no quorum present at last years' Annual General Meeting, the informal Annual General Meeting Minutes would be taken only as a reference. The postponed Annual General Meeting was held one week later, at the same time and place and the Shareholders there present, constituted the required quorum. The Meeting had agreed and adopted the matters raised during the informal Annual General Meeting.

The Minutes of the Annual General Meeting for the year ended 31 December 2015 held on 19 July 2016 as well as the Minutes of the postponed Annual General Meeting held on 26 July 2016, were approved and adopted.

4 MATTERS ARISING FROM PREVIOUS ANNUAL GENERAL MEETING

No matters were raised by the Meeting.

5 RESOLUTION 1: TO RECEIVE, CONSIDER AND ADOPT THE REPORT OF DIRECTORS, REPORT OF THE AUDIT COMMITTEE AND ANNUAL FINANCIAL STATEMENTS

Item 5 on the Agenda was Resolution 1, to receive and adopt the Annual Financial Statements for the year ended 31 December 2016 and for this Resolution, the Chairman, in terms of Good Corporate Governance, handed the Chair over to Ian Cruickshank.

Mr Cruickshank stated that the Annual Financial Statements for the financial year ended 31 December 2016, read with the Chairman's Review, fully covered the activities of the Company for the period under review. Mr

Cruickshank had nothing further to add. Dave Lones stated that the commentary provided in the Annual Financial Statements was very good and helped to answer any queries. Mr Lones congratulated the Board. It was unanimously resolved that the Annual Financial Statements for the year ended 31 December 2016 be approved and adopted.

6 RESOLUTION 2: TO RE-APPOINT PRICEWATERHOUSECOOPERS INC. (PWC) AS AUDITORS OF THE COMPANY

As Chairman of the Audit Committee, Mr Cruickshank recommended that PricewaterhouseCoopers Incorporated (PWC) be re-appointed Auditors of the Company for the ensuing year. No objection was recorded. The Meeting approved the re-appointment of PricewaterhouseCoopers Incorporated as Auditors of the Company for the ensuing year. Mr Cruickshank handed back the Chair to the Chairman for the remainder of the Meeting.

7 RESOLUTION 3: TO ELECT DIRECTORS TO THE BOARD

Item 7 on the Agenda was Resolution 3, to elect Directors (representing the Timesharers) to the Board for the ensuing year. Ian Cruickshank, Raymond Jeffray, Ajith Ramsarup and Anthony Ridl automatically retired at this Annual General Meeting but were eligible and available for re-election. No nominations for Directorship were recorded from the floor. The Memorandum of Incorporation (MOI) provided for a minimum of 6 Directors and a maximum of 13 Directors to the Board. The A Class and C Class Shareholders were entitled to appoint 4 Directors and the D Class Shareholders were entitled to appoint 2 Directors. No D Class shares had been issued. The B Class Shareholders were entitled to appoint the balance of Directors to the Board. Directors representing the B Class Shareholders included the Chairman, Messrs. Boshoff, Tyali, Whiteboy, Pienaar and Wilson.

In terms of the Companies Act, the appointment of each Director must be voted individually. Following separate motions proposing the appointment of Ian Cruickshank, Raymond Jeffray, Ajith Ramsarup and Anthony Ridl, the meeting approved the resolutions without dissenting votes. Messrs Cruickshank, Jeffray, Ramsarup and Ridl were accordingly appointed as Directors of the Company for the ensuing year.

8 RESOLUTION 4: TO APPOINT DIRECTORS TO THE AUDIT COMMITTEE

Item 8 on the Agenda was to appoint Directors as Members of the Audit Committee. The Companies Act required Private Companies to have 3 Directors appointed as Members of the Audit Committee. Having been elected as Directors to the Board, Ian Cruickshank, Ajith Ramsarup and Anthony Ridl were appointed as Members of the Audit Committee.

9 RESOLUTION 5: TO APPOINT DIRECTORS TO THE SOCIAL AND ETHICS COMMITTEE

Item 9 on the Agenda was to appoint 3 Members of the Social and Ethics Committee. The Chairman proposed and it was carried that Wayne Wilson, Raymond Jeffray and Lubabalo Tyali be appointed as Members of the Social and Ethics Committee.

10 INSURED VALUE OF THE PROPERTY

Item 10 on the Agenda was to table for discussion, the insured value of the property, as approved by the Directors in terms of the Use Agreement. The insured value of the property was R299,668,728 with buildings at R261,307,912 and furniture fixtures and fittings at R38,360,816. The Chairman welcomed any queries regarding the insured value for Sabi River Sun. Mr Cruickshank mentioned that the valuation was based on the replacement value. A registered Quantity Surveyor conducted the valuation. The Chairman noted that the insured value had increased year-on-year by 7.2%. Tsogo Sun collated the valuations of all Tsogo Sun insured properties and due to its bulk purchasing power, a favourable rate and premium was negotiated. No objections were recorded and the insured valuation of the property at R299,668,728 was approved.

11 REPORT OF THE SOCIAL AND ETHICS COMMITTEE AND REPORT OF THE GENERAL MANAGER

Item 11 and 12 on the Agenda would be combined. The Chairman called on Wayne Wilson, General Manager of the Resort, to provide his report. Mr Wilson was pleased to see familiar faces and mentioned that he would provide a general overview and summary of the results and happenings over the past year.

The overall 2016 eGuest satisfaction survey result was 89.23%, which was slightly below the target of 90%. Management was very happy with the result and welcomed the comments and suggestions made by Guests on the surveys. The Resort had scored 4.48 out of 5 through RCI, which was well above RCI Gold Crown requirements and results achieved by the region. QPro food, safety and hygiene audits were conducted and an overall 90% was achieved, against the target of 75%. The latest internal KPMG compliance audit achieved an overall 93% which was also higher than the target of 90%. Mr Wilson was very pleased with Tripadvisor ranking Sabi River Sun the 5th best Family Hotel in South Africa and 1st best Family Hotel in the area. The Resort had again won the 2016 Tripadvisor Certificate of Excellence Award.

The main objective of the Social and Ethics Committee was to look after the staff at Sabi River Sun, to look after the community surrounding the Resort and to create a positive impact. CSI was a major focus for the Tsogo Sun Group and Chef Cindy assisted greatly on the Committee. The 2017 Cansa Shavathon had raised R16,600 by holding a fun run, a Golf Day and the shavathon event itself. This would be an ongoing event to raise awareness and to support the very worthy cause. World Autism Day, close to Mr Wilson's heart, had been supported. Support for other charities and awareness programmes included Tekkie Tax Day, Youth Day, the Endangered Wild Life Trust and Mandela Day. Blankets and food was donated to the Sizabantwana community on Mandela Day for the drop-in centres and Waltons had donated stationary for the children at Sizabantwana School. A blood bank drive had proven a great success with 37 pints of blood collected, against the target set of 67 pints. It was a fabulous start and something that would more than likely continue to four times a year, as guests enjoyed taking part. Mr Wilson thanked Donna Brough for her idea and involvement as the amount of blood collection could potentially save 100 lives.

The annual 2-day Umvubu Golf Day tournament had again been a great success. Approximately R80k was raised for Sabie River Bungalows Golf Club and for donation to a charity of the Golf Club's choice. The funds raised would go back into the Golf Club for the purchase of items for the new Clubhouse and a portion would be donated towards the Sizabantwana initiative. The Umvubu Golf Day attracted many other Golfers to the area and the team hoped that it would grow even further to potentially create more of a festival event.

The Resort now held a Parkrun event which was a free fun run every Saturday at 8am, over a 5km distance. It was a fun run supported by Discovery, Dischem, Mr Price Sports and others. Sabi River Sun had opened the 110th Parkrun in the country. The Parkrun initiative was run by Bruce and Gill Fordyce who had attended the inaugural Parkrun at Sabi River Sun 2 weeks prior with a total of 56 participants. Mr Fordyce had commented that it was one of his most favourite Parkrun locations to date. Parkrun participants registered to receive a barcode which was scanned at the end of the event to record the person's time, positioning and so on. All ages, fitness and sporting capabilities were welcome. The staff volunteered each week to arrange the Parkrun and Chef Cindy was the race director for the venue. The Parkrun route did not interfere with the Golf course or play. Many Timesharers took part in Parkrun at other locations and a lot of participants travelled to new Parkrun venues to earn a reward after having taken part in a certain amount of Parkruns as well as for taking part in a certain number of different Parkruns around the country. The Hotel would market packages for guests wanting to stay at the Resort and a breakfast special was offered to the runners and walkers taking part each Saturday.

Mr Wilson presented photographs of the construction progress made for the swimming pool and new clubhouse. The Meeting applauded at the sight of the graphics. The swimming pool was completed and very well received by guests. The new Golf shop, located near to the 1st tee box, would have beautiful views. Construction had progressed a lot further in the past few days. The ablution facilities had almost doubled in size which would help for larger Golf Days. A solar panel would be installed to the roof of the Clubhouse to pre-heat water feeding the showers for instant and constant hot water. Storage would be available below the Clubhouse for Golfers to store their golf clubs and a new "grab and go" facility would be available at the halfway house. A lot of practical changes had been incorporated into the project. The new main entrance gate project was to create a new entrance and to take the vehicles off the main road which currently posed a risk. There was sufficient stacking space for vehicles to line up to enter the property. The new gate allowed for improvement of access control. All the projects would be completed by the end of August 2017. The replacement of the two bridges would be completed within the next few weeks. The Meeting applauded the presentation.

Mrs Healey enquired why Sabi was sometimes spelt with an "e" on the end of the name. The Secretary advised that the river itself was spelt as Sabie River, as was the name of the Sabie River Share Block Company. Mrs Brough advised that the Hotel had been incorrectly misspelt upon registration and that the "e" had been left off. Mr Wilson mentioned that the river had originally been spelt as Sabi, as seen on a very old map from more than 100 years ago.

Mr Healey enquired whether a further Golf cart discount had been agreed for pensioners. Mr Wilson replied that a slightly smaller discounted rate had been agreed for the stretch round as well. Mr Healey enquired whether the DSTV bouquet may be altered to include more popular sports channels and SkyTV, as he had mentioned last year. The Chairman noted that comprehensive investigations and discussions had since been conducted. DSTV had agreed to review the bouquet of channels provided to Hotels which should be communicated later this month. Each channel had one decoder and that smartcard was unfortunately locked into a specific channel. Some sports channels may be swapped but generally the channels were set. The internet connection was not yet how it should be, which was necessary for Netflix, Showmax and other movie channels. The Chalets were ready for the internet option but the internet pipeline to the property was insufficient to accommodate the larger feed necessary. Management understood the requirement and were fighting hard to make options available.

Mr Healey thanked Mr Wilson and his team for the royal treatment he and his family received during his two recent visits to the property. Mr Healey commented that Sabi River Sun was always the best and remained the best timeshare Resort in South Africa, which other Timesharers agreed. Mr Healey commented that he had found the Resort newsletter very informative and recommended that the newsletter be circulated every quarter. It was superb and he had enjoyed the read.

A Shareholder enquired about the refurbishment cost of R8m. Mr Wilson advised that Southern Sun Resorts / Tsogo Sun would contribute significantly towards the major refurbishment project. Mr Cruickshank stated that the 10-year capital expenditure plan was supported by the levies and a special levy was again not required for this major project. The financial management of the Company was very strict.

The Chairman advised a Timesharer that the eGuest satisfaction score for Sabi River Sun was certainly improving and when compared, it was measured against similar properties. Mr Wilson advised the same Timesharer that parking would not be a problem with Parkrun participants as they ran before the golfers and bowlers arrived for play and a good portion of the participants were already staying on the Resort. There was a contingency and an alternative area for use during busy periods. The Meeting applauded Mr Wilson for his presentation.

12. GENERAL

The Secretary mentioned that the Meeting would record the apologies for the Shareholders who had corresponded and not been able to attend today.

12.1 Shareholders' Correspondence

Mr Fleischer

The Secretary noted that Mr Fleischer had queried the escalation of the levy over the years which Mr Whiteboy and Mrs Brough would respond to. There were many other factors involved in calculating a levy which would be explained to Mr Fleischer for his understanding.

Mr and Mrs Bowles

Mr and Mrs Bowles had made comments and suggestions regarding the new mock-up Chalets. Mr Cruickshank was thankful for their correspondence as it had raised items that he had already highlighted. Mr Cruickshank would respond to Mr and Mrs Bowles. The Chairman added that the new Chalets would be redone and a major issue of noise disturbance would receive full attention.

Mr Alexander

Mr Alexander had highlighted that the heat pump during his stay had been very noisy. Mr Wilson had advised the Board earlier that the thermostat to that particular heat pump had experienced an issue, but was since rectified. Mr Alexander had also been a little annoyed by the loud noise of his neighbour's air-conditioning unit. Management would respond to Mr Alexander.

The Secretary noted that an email address was recorded on the agenda and proxy form for Shareholders to send further comments and queries. The Chairman encouraged all Shareholders not wait a year before corresponding.

12.2 Silt in the Dam and the Hippo Population

Mr Healey enquired about the silt building up in the dam and the effect on the hippo population. Mr Wilson replied that the desilting project was an ongoing process. A secondary weir would soon be built to further assist in removing silt from the dam. Management awaited a licence permit from the local authority to complete the scheduled work. In the case of a flood, water flowed over the first weir and a second weir further down would help prevent the silt from travelling further down the river. The silt in between the weirs would be removed on an ongoing maintenance plan. The vegetation had been cut back and the landscaper, Mark Pain, sprayed environmentally friendly treatment on the plants to keep the dam as clear as possible. Mr Wilson advised that 35 - 40 hippos had visited the property over the weekend. Mr Cruickshank noted that a proposal was being discussed to stop the hippos from walking onto the 17th Green at night. The gabions on the riverside of the dam would be raised and a path would be created for the hippos to direct them back underneath the bridge. Mr Cruickshank stated that the silt trap had been very effective and that the very good quality silt removed from the dam would be used to top dress and level the fairways.

Mr Cruickshank noted that the new refurbishment program would address the noise disturbance of neighbours in next door Chalets. The Board was very aware of the disturbance.

Mr Lones thanked the Directors, management, the various committees for a good job and for the low emoluments recorded in the financials.

13. CLOSURE/ CONCLUSION

The Chairman thanked all very much for their participation and there being no further business, declared the Meeting closed at 14h10. Miss Sutton invited all to remain and enjoy the snacks, tea and coffee. The Chairman

welcomed all to stay to engage with the team.

Read and confirmed this _____ day of _____ 2018.

Chairman