

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 9 of this Circular apply, *mutatis mutandis*, throughout this Circular, including this front cover.

If you are in any doubt as to the action that you should take in relation to matters set forth in this Circular, please consult your broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

This Circular does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of, issue or purchase any security in any jurisdiction.

Action required

If you have disposed of all your PPC Shares, please forward this Circular, together with the attached form of proxy, to the broker, CSDP, banker or agent through whom you disposed of such PPC Shares.

Shareholders are referred to pages 6 and 7 of this Circular which sets forth the detailed action required of them in respect of the matters set forth in this Circular.



PPC Ltd

(Incorporated in the Republic of South Africa on 22 April 1892)

Registration number 1892/000667/06

Share code: PPC ISIN: ZAE000170049

(“PPC” or “the Company”)

CIRCULAR TO SHAREHOLDERS

regarding:

- the increase of PPC’s authorised stated capital from 700,000,000 PPC Shares to 10,000,000,000 PPC Shares;
- the amendment of the MOI to reflect the increase in PPC’s authorised stated capital from 700,000,000 PPC Shares to 10,000,000,000 PPC Shares;
- the authorisation to issue additional PPC Shares with voting power that will, upon issue, exceed 30% of the existing voting power of the PPC Shares currently in issue;
- the granting of a general authority to Directors to issue such number of additional PPC Shares in the authorised but unissued stated capital of PPC as may be required for the purpose of implementing the Proposed Rights Offer; and
- the waiver by independent holders of more than 50% of the voting rights of all the issued PPC Ordinary Shares, of the benefit of receiving a mandatory offer from one or more of the underwriters of the Proposed Rights Offer in accordance with section 123(3) of the Companies Act;

and incorporating:

- a notice convening a General Meeting of PPC Shareholders; and
- a form of proxy (for use by Certificated Shareholders and Dematerialised Shareholders with “own name” registration only).

**Sole Global Co-ordinator,
Joint Bookrunner and Joint
Transaction Sponsor**



**Joint Bookrunner and Joint
Transaction Sponsor**



Joint Bookrunner



Joint Bookrunner



**Legal Advisor to PPC as to
South African Law**



**Legal Advisor to PPC as to US
and English Law**



**Legal Advisor to the Joint
Bookrunners as to
South African Law**

WEBBER WENTZEL

in alliance with > Linklaters

**Legal Advisor to the Joint
Bookrunners as to US and
English Law**

Linklaters

**Financial Advisor and
Company Sponsor**

Merrill Lynch 

A subsidiary of
Bank of America Corporation

Date of issue: 1 July 2016

This Circular is available in English only. Copies are available from the registered office of PPC at the address indicated on page 4 of this Circular as well as in electronic form from the Company's website (www.ppc.co.za).

DISCLAIMERS AND FORWARD-LOOKING STATEMENTS

GENERAL

The Proposed Rights Offer which, if implemented, will be made pursuant to the Rights Offer Circular that will be posted to PPC Shareholders in due course in accordance with the Companies Act and will only be addressed to persons to whom it may lawfully be made. This Circular does not contain all of the information required for the Rights Offer Circular to PPC Shareholders under the Companies Act and Listings Requirements. This Circular does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of, issue or purchase any security in any jurisdiction (including, for the avoidance of doubt, the United States). There will be no such offer, invitation or solicitation in any jurisdiction in which such an offer, invitation or solicitation is unlawful. This Circular is not for distribution, directly or indirectly, in or into Hong Kong or Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES OF AMERICA

The Proposed Rights Offer referred to in this Circular will not be addressed to persons in the United States, except pursuant to certain exceptions. This Circular does not constitute an offer of securities for sale in the United States. The securities mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. There will be no public offering of securities in the United States.

NOTICE TO SHAREHOLDERS IN THE EUROPEAN ECONOMIC AREA AND THE UNITED KINGDOM

The Proposed Rights Offer referred to in this Circular will only be addressed to and directed at persons in member states of the European Economic Area, or “EEA”, who are “Qualified Investors” within the meaning of Article 2(1)(e) of the European Parliament and Council Directive 2003/71/EC, as amended, including by the European Parliament and Council Directive 2010/73/EU, including any measure implementing such Directives in any member state of the EEA (the “**Prospectus Directive**”) (“**Qualified Investors**”).

In addition, in the United Kingdom, the Proposed Rights Offer will only be addressed to and directed at (1) Qualified Investors who are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”), or high net worth entities falling within Article 49(2)(a) – (d) of the Order and/or (2) persons to whom it may otherwise lawfully be communicated (all such persons referred to in (1) and (2) together being referred to as “**Relevant Persons**”). PPC Shares issued pursuant to the Proposed Rights Offer will only become available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be addressed to, directed at and/or entered into with, (as applicable) (1) in the United Kingdom, Relevant Persons only and (2) in any member state of the EEA, other than the United Kingdom, Qualified Investors only.

Persons (1) in the United Kingdom who are not Relevant Persons or (2) in any member state of the EEA other than the United Kingdom, who are not Qualified Investors are permitted to vote on the resolutions to which this Circular refers, however, no such persons shall have any entitlement or the ability to participate in the Proposed Rights Offer referred to in this Circular following its approval by resolution at the General Meeting of PPC Shareholders. The rights attributable to such PPC Shareholders, in the event of the Proposed Rights Offer proceeding, will be sold on the JSE as soon as practicable if a premium can be obtained over the expenses of the sale, and the net proceeds will then be remitted to the relevant PPC Shareholders.

CERTAIN FORWARD-LOOKING STATEMENTS

This Circular contains “forward looking information” within the meaning of section 27A of the US Securities Act of 1933, as amended, and section 21 E of the US Securities Exchange Act of 1934. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation those concerning: the economic outlook for the cement industry; expectations regarding production, cash costs and other operating results; growth prospects and outlook of PPC’s operations, individually or in the aggregate, including the completion and commencement of commercial operations at PPC’s expansion projects and the completion of acquisitions and dispositions; PPC’s liquidity and capital resources and expenditure; and the outcome and consequences of any pending litigation proceedings. These forward-

looking statements are not based on historical facts, but rather reflect PPC's current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "expect", "forecast", "foresee", "plan", "intend", "seek", "aim", "anticipate", "estimate", "predict", "potential", "assume", "continue", "may", "will", "should", "could", "shall", "risk" or the negative of these terms or similar expressions that are predictions of or indicate future events and future trends. Similarly, statements that describe PPC's objectives, plans or goals are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause PPC's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Although PPC believes that the expectations reflected in these forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to PPC or not currently considered material by PPC.

The forward-looking statements included in this Circular are made only as of the Last Practicable Date. PPC undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Circular or to reflect the occurrence of unanticipated events.

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CORPORATE INFORMATION

PPC LTD

Registration number 1892/000667/06
Place of incorporation: Republic of South Africa
Date of incorporation: 22 April 1892

SOLE GLOBAL CO-ORDINATOR, JOINT BOOKRUNNER AND JOINT TRANSACTION SPONSOR

The Standard Bank of South Africa Limited
30 Baker Street
Rosebank, Johannesburg, 2196
(PO Box 61344, Marshalltown, 2107)

JOINT BOOKRUNNER

Absa Bank Limited, acting through its Corporate
and Investment Banking division
15 Alice Lane
Sandton, Johannesburg, 2196
(PO Box 7735, Johannesburg, 2000)

LEGAL ADVISOR TO PPC AS TO SOUTH AFRICAN LAW

Bowman Gilfillan Inc.
165 West Street
Sandton, Johannesburg, 2196
(PO Box 785812, Sandton, 2146)

LEGAL ADVISOR TO THE JOINT BOOKRUNNERS AS TO SOUTH AFRICAN LAW

Webber Wentzel
90 Rivonia Road
Sandton, Johannesburg, 2196
(PO Box 61771, Marshalltown, 2107)

TRANSFER SECRETARIES IN SOUTH AFRICA

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

COMPANY SECRETARY AND REGISTERED OFFICE

JHDLR Snyman (BA (Law), LLB, LLM, MBA)
PPC Ltd
148 Katherine Street
Sandton, Johannesburg, 2196
(PO Box 787416, Sandton, 2196)

JOINT BOOKRUNNER AND JOINT TRANSACTION SPONSOR

Nedbank Limited, acting through its Corporate
and Investment Banking division
135 Rivonia Road
Sandton, Johannesburg, 2196
(PO Box 1144, Johannesburg, 2000)

JOINT BOOKRUNNER

FirstRand Bank, acting through its Rand Merchant
Bank division
1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton, Johannesburg, 2196
(PO Box 786273, Sandton, 2146)

LEGAL ADVISOR TO PPC AS TO US AND ENGLISH LAW

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London EC4Y 1HS
United Kingdom

LEGAL ADVISOR TO THE JOINT BOOKRUNNERS AS TO US AND ENGLISH LAW

Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

TRANSFER SECRETARIES IN ZIMBABWE

Corpserve (Private) Limited
2nd Floor, ZB Centre
Corner First Street and Kwame Nkurumah Avenue
Harare, Zimbabwe
(PO Box 2208, Harare, Zimbabwe)

DIRECTORS

Executive

DJ Castle (*Chief Executive Officer*)
MMT Ramano (*Chief Financial Officer*)

Non-Executive

PG Nelson (Interim Chairman)#
N Goldin#
TJ Leaf-Wright#
SK Mhlarhi
B Modise#
CH Naude#
TDA Ross#
T Mboweni#
T Moyo*#
S Dakile-Hlongwane

FINANCIAL ADVISOR AND COMPANY SPONSOR

Merrill Lynch South Africa Proprietary Limited
The Place, 1 Sandton Drive,
Sandton, Johannesburg, 2196
(PO Box 651987, Benmore, 2010)

*Zimbabwean

#Independent non-executive director

ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 9 of this Circular apply, *mutatis mutandis*, to this section (unless specifically defined where used or the context indicates a contrary intention).

Shareholders are requested to take note of the following information regarding the actions required by them in connection with this Circular.

1. If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, legal advisor, accountant, or other professional advisor immediately.
2. If you have disposed of all your PPC Shares, please forward this Circular to the person to whom you disposed of such PPC Shares or to the broker, CSDP, banker or other agent through whom you disposed of such PPC Shares.

3. **General Meeting**

A General Meeting of PPC Shareholders has been convened in terms of the Notice of General Meeting attached hereto for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions set out in the Notice of General Meeting. The General Meeting is to be held at **10:00 (South African time) on Monday, 1 August 2016, at the JSE, One Exchange Square, Gwen Lane, Sandown, 2196 (parking available at 24 Central, Corner Gwen and Fredman).**

4. **Dematerialised Shareholders without “own name” registration**

If you have Dematerialised your PPC Shares without “own name” registration, then the following actions are relevant to you in connection with the General Meeting:

Voting at the General Meeting

- If you have not been contacted by your CSDP or broker, it would be advisable for you to contact your CSDP or broker and furnish them with your voting instructions.
- If your CSDP or broker does not obtain voting instructions from you, they will vote in accordance with the instructions contained in the agreement concluded between you and your CSDP or broker.
- You must **NOT** complete the attached form of proxy.

Attendance and representation at the General Meeting

In accordance with the mandate between you and your CSDP or broker, you must advise your CSDP or broker if you wish to attend the General Meeting in person, or if you wish to send a proxy to represent you at the General Meeting. Your CSDP or broker will issue the necessary letter of representation to you or your proxy to attend the General Meeting.

5. **Dematerialised Shareholders with “own name” registration and Certificated Shareholders**

If you have not Dematerialised your PPC Shares or have Dematerialised your PPC Shares with “own name” registration, then the following is relevant to you in connection with the General Meeting:

Voting, attendance and representation at the General Meeting

- You may attend, speak and vote at the General Meeting in person.
- Alternatively, you may appoint one or more proxies to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions it contains. A proxy need not be a Shareholder of the Company. It is requested that the form of proxy be lodged with or posted to the Transfer Secretaries to be received by no later than **10:00 (South African time) on Thursday, 28 July 2016**. If you do not lodge or post the form of proxy to reach the Transfer Secretaries by the relevant time, you will nevertheless be entitled to have the form of proxy lodged immediately prior to the General Meeting with the chairman of the General Meeting.

PPC does not accept responsibility and will not be held liable, under any applicable law or regulation, for any action of, or omission by, the CSDP or broker of a Dematerialised Shareholder, including, without limitation, any failure on the part of the CSDP or broker of any beneficial owner to notify such beneficial owner of the General Meeting or of the matters set forth in this Circular.

6. Identification of PPC Shareholders

Shareholders are entitled to attend, speak and vote at the General Meeting. In terms of section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of the person to participate and vote at the General Meeting, either as a Shareholder, or as a proxy for a Shareholder, has been reasonably verified. Acceptable forms of identification include valid identity document, driver's licence or passport.

7. Participation in the General Meeting via electronic means

In compliance with the provisions of the Companies Act and the MOI, PPC intends to offer PPC Shareholders (or a representative or proxy for a Shareholder) reasonable access through electronic facilities to participate in the General Meeting by means of a conference call facility. Shareholders will be able to listen to the proceedings of the General Meeting and raise questions and are invited to indicate their intention to make use of the facility by making application in writing (including details as to how the Shareholder or representative can be contacted) to the Transfer Secretaries at the address set out on page 4 of this Circular to be received by the Transfer Secretaries at least 10 Business Days prior to the date of the General Meeting namely before **10:00 (South African time) on Monday, 18 July 2016**.

The Transfer Secretaries will, by way of email, provide the relevant details of the conference call to enable interested PPC Shareholders to participate in the General Meeting. Voting will not be possible *via* the electronic facility and PPC Shareholders wishing to vote their PPC Shares at the General Meeting will need to be represented at such meeting either in person, by proxy or by letter of representation, as provided for in the Notice of General Meeting.

The Company reserves the right not to provide for electronic participation at the General Meeting in the event that it is not practical to do so, for whatever reason, including an insufficient number of PPC Shareholders (or their representatives or proxies) choosing to make use of the facility.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 9 of this Circular have, where necessary, been used below.

2016

The record date for purposes of receiving the Notice of General Meeting (being the date on which a Shareholder must be recorded in the Register in order to receive the Notice of General Meeting)	Friday, 24 June
Circular posted to PPC Shareholders on	Friday, 1 July
Last day and time to give notice to participate in the General Meeting electronically by 12:00 on	Wednesday, 13 July
Last day to trade in order to be eligible to attend, speak and vote at the General Meeting	Tuesday, 19 July
Record date to determine PPC Shareholders eligible to participate and vote at the General Meeting	Friday, 22 July
Last day and time to lodge forms of proxy with the Transfer Secretaries by 10:00 on	Thursday, 28 July
General Meeting to be held at 10:00 on	Monday, 1 August
Results of the General Meeting released on SENS on	Monday, 1 August
Results of the General Meeting published in the South African press on	Tuesday, 2 August

Notes:

1. The dates and times in this Circular are subject to change as may be agreed by the Company and approved by the JSE and any changes will be announced in the South African press and through SENS and the Stock Exchange News Service in Zimbabwe. All times in this Circular are South African local times unless otherwise stated.
2. Should the General Meeting be adjourned or postponed, it is requested that forms of proxy be received by no later than 48 hours (excluding Saturdays, Sundays and statutory or proclaimed public holidays in South Africa) prior to the time of the adjourned or postponed General Meeting.

DEFINITIONS AND INTERPRETATIONS

In this Circular and the documents attached hereto, unless the context indicates otherwise:

- 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 the masculine include the feminine, words incorporating persons include juristic persons and associations of persons, and a cognate word or expression shall have the corresponding meaning; and
- all times and dates referred to are South African times and dates unless otherwise stated.

“Absa”	Absa Bank Limited (acting through its Corporate and Investment Banking division), registration number 1986/004794/06, a registered bank and a public company with limited liability duly incorporated in accordance with the laws of South Africa;
“BEE”	black economic empowerment;
“BEE 1”	the black economic empowerment transaction which was implemented by PPC in December 2008 in terms of which the PPC Black Independent Non-executive Directors Trust, PPC Black Managers Trust, PPC Community Trust, PPC Construction Industry Associations Trust, PPC Education Trust, PPC Team Benefit Trust, the Strategic Black Partners, the Community Service Groups, Current PPC Team Trust and Future PPC Team Trust acquired, directly or indirectly, PPC Ordinary Shares, representing, as at the date of implementation, 15.3% of PPC’s issued ordinary stated capital;
“BEE 2”	the black economic empowerment transaction which was implemented by PPC in 2012 in terms of which the Strategic Black Partners, PPC Masakhane Trust and PPC Bafati Trust acquired PPC Ordinary Shares, representing 6.5% of PPC’s issued ordinary stated capital as at the date of implementation of such transaction;
“Business Day”	a day other than a Saturday, Sunday or official public holiday in South Africa and Zimbabwe;
“Certificated Shareholders”	holders of Certificated Shares;
“Certificated Shares”	shares which are evidenced by a certificate or other physical document of title and which have not been Dematerialised;
“CIPC”	Companies and Intellectual Property Commission, established in terms of the Companies Act;
“Circular”	this document, dated 1 July 2016, containing the circular to PPC Shareholders and the annexures hereto, a Notice of General Meeting and a form of proxy;
“Community Service Groups”	collectively, the Disability Empowerment Concerns Trust and Shalamuka Foundation;
“Companies Act”	the South African Companies Act, No. 71 of 2008, as amended;
“Companies Regulations”	Companies Regulations, 2011 promulgated under the Companies Act;
“CSDP”	Central Securities Depository Participant, a Participant as defined in the Financial Markets Act;
“Dematerialisation”	the process by which Certificated Shares are or are to be converted into electronic form under the Strate system for trading on the JSE, and “dematerialised” or “dematerialising” shall have a corresponding meaning;

“Directors”	the directors of PPC from time to time;
“DMR”	the South African Department of Mineral Resources;
“DRC”	the Democratic Republic of Congo;
“EBITDA”	earnings before interest, tax, depreciation and amortisation;
“Expansion Strategy”	the 2010 strategy implemented by PPC to expand into Africa through, <i>inter alia</i> , projects in Rwanda, the DRC, Zimbabwe and Ethiopia;
“Fiscal Period 2016”	the financial period of 6 months ended 31 March 2016 for PPC;
“Fiscal Year 2014”	the financial year ended 30 September 2014 for PPC;
“Fiscal Year 2015”	the financial year ended 30 September 2015 for PPC;
“Financial Markets Act”	the South African Financial Markets Act, No. 19 of 2012, as amended;
“General Meeting”	the General Meeting of PPC Shareholders to be held at 10:00 (South African time) on Monday, 1 August 2016, at the JSE, One Exchange Square, Gwen Lane, Sandown, 2196 (parking available at 24 Central, Corner Gwen and Fredman);
“Guarantors”	collectively, Standard Bank, Nedbank, RMB and Absa;
“Joint Bookrunners”	collectively, Standard Bank, Nedbank, Absa and RMB;
“JSE”	the JSE Limited, registration number 2005/022939/06, a public company with limited liability duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Practicable Date”	27 June 2016, being the last practicable date for inclusion of information prior to the finalisation of this Circular;
“Listings Requirements”	the Listings Requirements of the JSE, as amended;
“Mining Charter”	Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry, published under Government Notice 1639 in Government Gazette 26661 of 13 August 2004, including the amendment published under Government Notice 838 in Government Gazette 33573 of 20 September 2010;
“MOI”	the memorandum of incorporation of the Company, as amended;
“MPRDA”	the Mineral and Petroleum Resources Development Act, No. 28 of 2002, as amended;
“Nedbank”	Nedbank Limited, registration number 1951/000009/06, a registered bank and a public company with limited liability duly incorporated in accordance with the laws of South Africa;
“Notice of General Meeting”	the notice convening the General Meeting of PPC Shareholders on Monday, 1 August 2016, which is attached to and forms part of this Circular;
“PPC” or “Company”	PPC Ltd, registration number 1892/000667/06, a public company with limited liability duly incorporated in accordance with the laws of South Africa and whose shares are listed on the JSE and ZSE;
“PPC Shares” or “PPC Ordinary Shares”	PPC Shares of no par value in the stated capital of PPC;
“PPC Shareholders” or “Shareholders”	registered holders of PPC Shares recorded in the Register;

“Proposed Rights Offer”	the proposed rights offer targeting minimum gross proceeds of approximately ZAR 4 billion, further details of which will be set out in the Rights Offer Circular;
“Ratings Downgrade”	the downgrade of the Company’s long-term and short-term South African national scale corporate credit ratings to zaBB-/zaB from zaA/zaA-2 respectively by S&P Global Ratings on 30 May 2016 as announced by the Company on SENS on 31 May 2016;
“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs;
“Rights Offer Circular”	the circular to be posted to PPC Shareholders in accordance with the Companies Act, which will be addressed only to persons to whom it may lawfully be made and which will contain details of the Proposed Rights Offer;
“RMB”	FirstRand Bank Limited (acting through its Rand Merchant Bank division), registration number 1929/001225/06, a registered bank and a public company with limited liability duly incorporated in accordance with the laws of South Africa;
“SENS”	the Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Standard Bank”	The Standard Bank of South Africa Limited, registration number 1962/000738/06/06, a registered bank and a public company with limited liability duly incorporated in accordance with the laws of South Africa;
“Strate”	Strate Proprietary Limited, registration number 1998/022242/07, a private company with limited liability duly incorporated in accordance with the laws of South Africa, being a registered central security depository in terms of the Financial Markets Act, and which manages the electronic clearing and settlement system for transactions that take place on the JSE as well as off-market trades;
“Strategic Business Partners”	collectively, Capital Edge Cement Consortium Proprietary Limited, Peu Group Proprietary Limited, Portland Consortium Investment Proprietary Limited and Nozala Investments Proprietary Limited;
“Takeover Regulations”	the Fundamental Transactions and Takeovers Regulations as contained in Chapter 5 of the Company Regulations, as may be amended or superseded from time to time;
“Transfer Secretaries”	collectively, Computershare Investor Services Proprietary Limited in South Africa, registration number 2004/003647/07, and Corpserve (Private) Limited in Zimbabwe, registration number 9988/97;
“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
“United States” or “US”	the United States of America;
“USD”	United States Dollars, the official currency of the United States;
“ZAR”, “Rand” or “R”	South African Rand, the official currency of South Africa;
“Zimbabwe”	the Republic of Zimbabwe; and
“ZSE”	Zimbabwe Stock Exchange.



PPC Ltd

(Incorporated in the Republic of South Africa on 22 April 1892)

Registration number 1892/000667/06

Share code: PPC ISIN: ZAE000170049

("PPC" or "the Company")

DIRECTORS

Executive

DJ Castle (Chief Executive Officer)
MMT Ramano (Chief Financial Officer)

Non-Executive

PG Nelson (Interim Chairman)#
N Goldin#
TJ Leaf-Wright#
SK Mhlarhi
B Modise#
CH Naude#
TDA Ross#
T Mboweni#
T Moyo**
S Dakile-Hlongwane

*Zimbabwean

#Independent non-executive Director

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THE CIRCULAR

Shareholders are referred to the announcement released on SENS on 27 June 2016 in terms of which Shareholders were advised that the Company has entered into a standby underwriting agreement in relation to underwriting the Proposed Rights Offer of ZAR 4 billion.

The Company has mandated the Joint Bookrunners to lead its Proposed Rights Offer process.

The Joint Bookrunners have provided a standby underwriting commitment of ZAR 4 billion in relation to the Proposed Rights Offer and it is anticipated that the Company and the underwriters will agree a formal underwriting agreement in due course which will replace the standby underwriting agreement.

The Proposed Rights Offer is intended to be completed on the terms and subject to the conditions to be stipulated in a Rights Offer Circular to be posted to PPC Shareholders in due course. The number of PPC Shares to be issued pursuant to the Proposed Rights Offer and the price at which such PPC Shares will be issued will be announced at the time the Rights Offer Circular is published.

The purpose of this Circular and the Notice of General Meeting which forms part of this Circular, is to furnish information to PPC Shareholders with respect to the resolutions required before the Proposed Rights Offer can be implemented, and to convene a General Meeting to be held at the JSE, One Exchange Square, Gwen Lane, Sandown, 2196, at 10:00 (South African time) (parking available at 24 Central, Corner Gwen and Fredman) on Monday, 1 August 2016, at which General Meeting PPC Shareholders will be asked to consider and, if deemed fit, pass the resolutions contemplated in the Notice of General Meeting required to implement the Proposed Rights Offer.

The proposed resolutions which authorise the Directors to issue the PPC Shares required to implement the Proposed Rights Offer are in addition to the Directors' general authority to issue PPC Shares proposed at PPC's annual General Meeting held on 25 January 2016, which general authority will continue to remain in place until the next annual General Meeting of PPC.

2. PURPOSE OF, AND RATIONALE FOR, THE PROPOSED RIGHTS OFFER

In 2010, PPC embarked on its Expansion Strategy to extract value from high-growth economies and diversify the Company's exposure to the South African economy. In 2015, PPC successfully commissioned the first of these projects in the Republic of Rwanda, within budget. PPC will soon commission new projects in Zimbabwe, the DRC and Ethiopia. However, given the project lifecycle in the cement industry, these projects require drawing down on project finance debt without an immediate concomitant increase in earnings and resultant cashflow. PPC's debt levels are anticipated to peak in financial year 2017 followed by a steep decline as earnings flow-through is achieved.

Concurrently, the ramp-up in debt has occurred during a period of deterioration in the macroeconomic environment which has impacted negatively on the profitability of the Company's existing operations. Furthermore, as a result of the Ratings Downgrade, noteholders of outstanding notes ("**Notes**") issued under PPC's domestic medium term note programme ("**Note Programme**") had the right to elect that the Company redeem their Notes (value of ZAR1,75 billion) at par plus accrued interest. As an interim measure and in order to address its commitments to the noteholders, the Company concluded a Liquidity and Guarantee Facility (as defined below) with certain of its lenders and sought the noteholders' consent to amend certain of the terms and conditions of the notes, including giving effect to a guarantee to the noteholders. The majority of noteholders elected that the Company redeem their Notes at par plus accrued interest. Notes to the value of approximately ZAR1,6 billion plus accrued interest, have to be redeemed by the Company between 15 July 2016 and 1 November 2016.

As announced on 24 June 2016, the Company has fulfilled all of the conditions precedent under the Liquidity and Guarantee Facility Agreement required to give effect to an irrevocable and unconditional guarantee in favour of noteholders of the Company's outstanding Notes and to provide the Company with liquidity to redeem the Notes (the "**Liquidity and Guarantee Facility**").

In order to address the challenges outlined above and to pay amounts due on the redemption of the Notes and repay amounts advanced by the banks under the Liquidity and Guarantee Facility under their guarantees of the amounts payable by the Company to redeem the Notes, the Company intends to raise ZAR 4 billion in gross proceeds through the Proposed Rights Offer. The gross proceeds of the Proposed Rights Offer will be used as described above and thereafter to make prepayments on account of other existing term facilities and to finance the existing projects of the Company and meet other requirements for funding of its operations.

Further details of the number of PPC Shares to be issued pursuant to the Proposed Rights Offer, the terms of the definitive underwriting arrangements, the issue price, and the total gross proceeds of the Proposed Rights Offer will be communicated to Shareholders at the time the Rights Offer Circular is published. The Rights Offer Circular will also be made available on PPC's website.

If the Proposed Rights Offer is not approved by Shareholders or fails, the Company is at risk of not having sufficient funds to meet its payment obligations as they fall due. In particular, failure to raise ZAR 4 billion in the Proposed Rights Offer by 1 November 2016 would result in the amounts advanced by the Guarantors to fund the note redemptions triggered by the Ratings Downgrade becoming payable within 30 days and the termination of the standstill arrangements entered into in connection with the Liquidity and Guarantee Facility. In addition, the Company could breach one or more of the financial covenants contained in the Company's financing arrangements and/or be unable to meet repayment obligations after the standstill period has expired. A breach of a relevant covenant or inability to pay under a particular facility could (unless relaxed or waived by the relevant lender) result in the relevant lenders of such facility demanding immediate repayment of such facility. Due to the nature of the borrowing facilities, an event of default under one facility could result in cross-defaults and/or cross-accelerations under other facilities under the financing arrangements and the acceleration of the payment obligations under the Company's other lending arrangements. This could therefore result in a significant proportion of the Company's borrowings becoming repayable immediately. If this were to happen the Company might cease to be a going concern and could, in the absence of securing alternative funding and/or substantial proceeds from the realisation of assets, become unable to repay its debts and/or maintain its Expansion Strategy. In the absence of an alternative means of funding these obligations, and as a result of breaches and cross defaults that would follow termination of the standstill arrangements, this could result in the liquidation or placing into business rescue of the Company and, ultimately the value of Shareholders' investments in the Company being reduced to little or no value.

At this point in time the Company is optimistic that the Proposed Rights Offer will succeed.

3. **RESOLUTIONS PROPOSED TO SHAREHOLDERS**

The Directors have proposed the resolutions set forth in the Notice of General Meeting for consideration by the Shareholders. The purpose of special resolutions 1 and 2 are to increase the authorised stated capital of the Company from 700,000,000 PPC Shares to 10,000,000,000 by the creation of a further 9,300,000,000 PPC Ordinary Shares and to reflect such increased authorised stated capital in the MOI. The increase in the number of authorised but unissued PPC Shares will ensure that the Company has sufficient stated capital to implement the Proposed Rights Offer as well as provide the Company with headroom for any future Share issuances. The amount of the Proposed Rights Offer and the price at which PPC Shares will be issued pursuant to the Proposed Rights Offer will be determined immediately prior to the posting of the Rights Offer Circular depending on, *inter alia*, market conditions prevailing at such time. Consequently, the Directors believe that it is necessary to increase the authorised stated capital of the Company to 10,000,000,000 PPC Shares in order to give the Company sufficient flexibility to make the Proposed Rights Offer at a price which will, in the circumstances prevailing at the time at which that price is determined, be appropriate.

Further, in expectation that the voting power of the PPC Shares that are issuable as a result of the Proposed Rights Offer will be equal to or exceed 30% of the voting power of all the PPC Shares in issue immediately before the implementation thereof, section 41(3) of the Companies Act requires the approval of PPC Shareholders by special resolution and this is dealt with in special resolution 3 of the resolutions recorded in the Notice of General Meeting. Such authority will include the authority to allot and issue any PPC Shares in the authorised but unissued stated capital of the Company to any underwriter(s) of the Proposed Rights Offer (whether or not any such underwriter is a related party to the Company (as defined for purposes of the Listings Requirements) and/or a person falling within the ambit of section 41(1) of the Companies Act, being a Director, future Director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons)).

The purpose of ordinary resolution 1 is to place the authorised but unissued PPC Shares in the control of the Directors to enable the Directors to issue such PPC Shares pursuant to the Proposed Rights Offer.

Section 123(3) of the Companies Act provides that, in the event that, pursuant to the acquisition of a beneficial interest in voting rights attached to securities of a company, a person (together with its related or inter-related parties or concert parties) is able to exercise at least 35% of all of the voting rights attached to the securities of that company, the person is required to offer to acquire any remaining securities of that company on terms determined in accordance with the Companies Act and the Takeover Regulations. Regulation 86(4) of the Companies Regulations provides that a transaction is exempt from the obligation to make a mandatory offer if the independent holders of more than 50% of the general voting rights of all issued securities of the company have agreed to waive the benefit of such a mandatory offer. It is uncertain whether any underwriters to the Proposed Rights Offer will be required to subscribe for PPC Ordinary Shares. Moreover, whether in such circumstances the number of PPC Ordinary Shares taken up by the underwriters to the Proposed Rights Offer (together with any held by their related or inter-related parties or concert parties) will be sufficiently high to breach the 35% threshold. This being the case, ordinary resolution 2 is proposed as a precaution and to provide the underwriters of the Proposed Rights Offer with comfort that by agreeing to underwrite the Proposed Rights Offer they will not expose themselves to the risk of having to make a mandatory offer to acquire all of the remaining issued shares of PPC. Shareholders wishing to make representations to the TRP in relation to the exemption of the underwriters from the obligation to make a mandatory offer are referred to paragraph 4 below.

4. **MANDATORY OFFER EXEMPTION**

The Proposed Rights Offer may result in one or more underwriters of the Proposed Rights Offer controlling 35% or more of the issued share capital of the Company. In terms of section 123 of the Companies Act such underwriters may be obliged to make a mandatory offer to the PPC Shareholders at the same price as the Proposed Rights Offer price unless the mandatory offer is waived in accordance with regulation 86(4) of the Companies Regulations.

The TRP has advised that it is willing to consider an application to grant an exemption from the obligation to make a mandatory offer if the majority of the independent PPC Shareholders waive their entitlement to receive the mandatory offer from the underwriters of the Proposed Rights Offer, in accordance with this regulation 86(4).

Any Shareholder of the Company who wishes to make representations relating to the exemption shall have 10 Business Days from the date of the posting of this Circular to make such representations to the TRP before the ruling is considered. Representations should be made in writing and delivered by hand, posted or faxed to:

If delivered by hand or couriered:

The Executive Director
Takeover Regulation Panel
1st Floor, Building B
Sunnyside Office Park
32 Princess of Wales Terrace
Parktown
2193

If posted:

The Executive Director
Takeover Regulation Panel
PO BOX 91833
Auckland Park
2006

If faxed:

The Executive Director
Takeover Regulation Panel
+27 11 642 9284

and should reach the TRP by no later than close of business on Friday, 22 July 2016 in order to be considered.

If any representations are made to the TRP within the permitted timeframe, the TRP will consider the merits thereof before making a ruling.

Included in this Circular is the Notice of General Meeting and the resolutions for the waiver of the mandatory offer for Shareholders to consider, and if deemed fit, to approve at the General Meeting.

5. **BROAD-BASED BLACK ECONOMIC EMPOWERMENT**

The PPC group owns various limestone and aggregate quarries ("**Mining Assets**") which it uses as feedstock into the cement making process and from which it sells aggregate products. Ownership and operation of the Mining Assets require possession of operating licences, which licences are issued in terms of the MPRDA. A key requirement of the MPRDA is that PPC should have a minimum, direct or indirect, BEE shareholding of 26% in its South African Mining Assets for its operating licences to remain in force as provided for in the MPRDA's Mining Charter.

To ensure compliance with the Mining Charter, PPC implemented two separate BEE transactions in 2008 and 2012 (namely BEE 1 and BEE 2). BEE 1 (15.3% shareholding) and BEE 2 (6.5% shareholding) resulted in the current aggregate BEE shareholding of 20.8% in PPC Ltd, which in turn translated into an effective 26% BEE ownership of PPC's South African operations as required by the Mining Charter, based on the then 80%:20% revenue contribution split between the South African and non-South African PPC operations. As previously communicated to the market, BEE 1 is due to unwind in December 2016, whilst BEE 2 is only due to unwind in 2019.

It is further anticipated that the BEE Shareholders will not follow their rights in full due to funding constraints and certain contractual restrictions that may prohibit BEE Shareholders from participating in the Proposed Rights Offer and accordingly, the Proposed Rights Offer is expected to result in immediate dilution of PPC's BEE ownership credentials, prior to the planned unwinds in December 2016 and December 2019, which would result in PPC's BEE shareholding at the South African operations falling to below the required 26%.

In light of the above, the Company is contemplating a number of BEE initiatives that will result in compliance with the Mining Charter after the Proposed Rights Offer process and the unwind of BEE 1. The Company will ensure that any such new initiatives will be broad-based and characterised by long term sustainability, minimum dilution to existing Shareholders and neutral balance sheet effect. PPC intends to commence discussions with the DMR shortly regarding its transformation plans to remain compliant with the Mining Charter. Further details on the new BEE initiatives and envisaged implementation plans will be communicated to Shareholders in due course.

6. SHARE CAPITAL

At the Last Practicable Date, the authorised and issued stated capital of PPC, before the passing of the resolutions set forth in the Notice of General Meeting were as follows:

Before passing the resolutions	Number of shares
Authorised stated capital	700,000,000 PPC Shares 20,000,000 cumulative, non-participating perpetual preference shares of R1,000 each
Issued stated capital	607,180,890 PPC Shares
Treasury shares	79,486,697 PPC Shares
Stated capital net of treasury shares	525,892,951 PPC Shares

The authorised and issued stated capital of PPC after the passing of the resolutions set forth in the Notice of General Meeting will be as follows:

After passing the resolutions, but before the Proposed Rights Offer	Number of shares
Authorised stated capital	10,000,000,000 PPC shares 20,000,000 cumulative, non-participating perpetual preference shares of R1,000 each
Issued stated capital	607,180,890 PPC Shares
Treasury shares	79,486,697 PPC Shares
Stated capital net of treasury shares	525,892,951 PPC Shares

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors whose names are given on page 5 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given 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 the Circular contains all information required by the Listings Requirements.

8. GENERAL MEETING

Attached to and forming part of this Circular is a notice convening the General Meeting to be held at 10:00 (South African time) on Monday, 1 August 2016 at the JSE, One Exchange Square, Gwen Lane, Sandown, 2196 (parking available at 24 Central, Corner Gwen and Fredman), in order to consider and, if deemed fit, pass, with or without modification, the resolutions which are contained in such notice. 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 in accordance with the instructions contained therein, so as to reach the Transfer Secretaries by no later than 10:00 (South African time) on Thursday, 28 July 2016. The addresses of the Transfer Secretaries are set out on page 4 of this Circular. Dematerialised Shareholders (other than Dematerialised Shareholders with "own name" registration) must advise their CSDP or broker if they wish to attend the General Meeting in person, or if they wish to send a proxy to represent them at the General Meeting. Their CSDP or broker will issue the necessary letter of representation to them or their proxy to attend the General Meeting.

9. CONSENTS

Each of the Sole Global Co-ordinator, Joint Bookrunners, Joint Transaction Sponsors, the Financial Advisor and Company Sponsor, and Legal Advisors whose names appear in the "Corporate Information" section have consented in writing to act in the capacity stated and to their names being included in this Circular and have not withdrawn their consent prior to the issue of this Circular.

10. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the office of the Company and the Sponsor, which addresses are set out in the "Corporate Information" section of the Circular, during normal business hours (excluding Saturdays, Sundays and public holidays) from the date of issue of this Circular up to and including 1 August 2016 (*both days inclusive*):

- a signed copy of this Circular;
- the MOI and the memorandum of incorporation of its major subsidiary, PPC Cement SA Proprietary Limited;
- the PPC group reviewed consolidated financial statements for the Fiscal Period 2016 and audited consolidated financial statements for Fiscal Year 2015 and Fiscal Year 2014;
- copies of service agreements with directors, managers or secretaries, Underwriters, vendors and promoters entered into during the last three years; and
- a signed copy of each of the consent letters referred to in paragraph 9 above.

By order of the Board

DJ Castle

Chief Executive Officer

1 July 2016

Registered office

148 Katherine Street
Sandton 2196
(PO Box 787416, Sandton, 2146)



PPC Ltd

(Incorporated in the Republic of South Africa on 22 April 1892)

Registration number 1892/000667/06

Share code: PPC ISIN: ZAE000170049

(“PPC” or “the Company”)

NOTICE OF GENERAL MEETING

The definitions and interpretations commencing on page 9 of the Circular to which this Notice of General Meeting of PPC Shareholders is attached apply, *mutatis mutandis*, to this Notice of General Meeting, unless the contrary is indicated.

Notice is hereby given that a General Meeting of PPC Shareholders will be held at 10:00 (South African time) on Monday, 1 August 2016, at the JSE, One Exchange Square, Gwen Lane, Sandown, 2196 (parking available at 24 Central, Corner Gwen and Fredman), to consider and, if deemed fit, to pass, with or without modification, the resolutions set forth below in the manner required by the Companies Act, as read with the Listings Requirements.

Each special resolution will be required to be adopted with the support of at least 75% of the voting rights exercised on the special resolution.

Each ordinary resolution will be required to be adopted with the support of more than 50% of the voting rights exercised on the Ordinary Resolution.

SPECIAL RESOLUTION 1 – APPROVAL OF THE INCREASE TO THE AUTHORISED SHARES OF THE COMPANY

“Resolved as a special resolution that, in terms of section 36 of the Companies Act and subject to the passing of special resolution 2, the number of authorised PPC Shares be and is hereby increased from 700,000,000 PPC Shares to 10,000,000,000 PPC Shares, by the creation of a further 9,300,000,000 PPC Ordinary Shares.”

For special resolution 1 to be passed, votes in favour of the resolution must represent at least 75% of the voting rights exercised at the General Meeting in respect of special resolution 1.

The reason for proposing this special resolution 1 is to increase the Company’s authorised but unissued ordinary stated capital so as to ensure that the Company has sufficient authorised stated capital to implement the Proposed Rights Offer and for any future issue of PPC Shares.

SPECIAL RESOLUTION 2 – AMENDMENTS TO THE MOI

“Resolved as a special resolution that, subject to the passing of special resolution 1, the MOI be and is hereby amended, in terms of sections 16(1)(c), 36(2) and 65(11) of the Companies Act, in order to give effect to special resolution 1, and that the secretary of the Company be and is hereby authorised to authenticate, as a certified true copy, a revised and updated copy of the MOI and to file it with the CIPC.”

For special resolution 2 to be passed, votes in favour of the resolution must represent at least 75% of the voting rights exercised at the General Meeting in respect of special resolution 2.

The reason for proposing this special resolution 2 is to amend the MOI as required by section 36(2)(a) of the Companies Act, such that the MOI reflects the Company’s new authorised stated capital as approved pursuant to the passing of special resolution 1.

SPECIAL RESOLUTION 3 – AUTHORISATION FOR THE ABILITY TO ISSUE 30% OR MORE OF THE COMPANY’S ORDINARY SHARES FOR THE PURPOSES OF IMPLEMENTING THE PROPOSED RIGHTS OFFER

“Resolved as a special resolution that, the Directors be and are hereby authorised, to the extent required in terms of the provisions of section 41(3) of the Companies Act, to issue such number of PPC Shares in the authorised but unissued stated capital of the Company as are required pursuant to and for the purposes of implementing the Proposed Rights Offer, even if such number of PPC Shares have voting power equal to or in excess of 30% of the voting rights of all PPC Shares immediately prior to such issue. Such authority includes the authority to allot and issue any PPC Shares in the authorised but unissued stated capital of PPC to any underwriter(s) of the Proposed Rights Offer (whether or not any such underwriter is a related party to PPC (as defined for the purposes of the Listings Requirements)) and/or a person falling within the ambit of section 41(1) of the Companies Act, being a Director, future Director, prescribed officer or future-prescribed officer of PPC or a person related or interrelated to the Company or related or inter-related to a Director or prescribed officer of PPC (or a nominee of any of the foregoing persons).”

For special resolution 3 to be passed, votes in favour of the resolution must represent at least 75% of the voting rights exercised at the General Meeting in respect of special resolution 3.

The reason for this special resolution 3 is to authorise the issue of PPC Shares which have voting rights equal to or in excess of 30% of the voting rights of all PPC Shares immediately prior to the issue and/or to a person falling within the ambit of section 41(1) of the Companies Act, being a Director, future Director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons), to the extent required for the purposes of implementation of the Proposed Rights Offer.

ORDINARY RESOLUTION 1 – PLACING CONTROL OF THE AUTHORISED BUT UNISSUED SHARES UNDER THE CONTROL OF THE DIRECTORS FOR THE PURPOSE OF IMPLEMENTING THE PROPOSED RIGHTS OFFER

“Resolved that in terms of article 7.9 of the MOI, the PPC Shares in the authorised but unissued stated capital of the Company be and are hereby placed under the control of the Directors with specific authority to issue such PPC Shares upon such terms and conditions as they may determine for the specific purpose of implementing the Proposed Rights Offer, subject to the provisions of the Companies Act, the MOI and the Listings Requirements.”

For ordinary resolution 1 to be passed, votes in favour of the resolution must represent more than 50% of the voting rights exercised at the General Meeting in respect of ordinary resolution 1.

The reason for this ordinary resolution 1 is to place the PPC Shares in the authorised but unissued stated capital of the Company under the control of the Directors with specific authority to issue such PPC Shares for the specific purpose of implementing the Proposed Rights Offer.

ORDINARY RESOLUTION 2 – WAIVER OF MANDATORY OFFER PROVISIONS OF THE COMPANIES ACT

“Resolved that, in the event that pursuant to their obligations to underwrite the Proposed Rights Offer, one or more of the underwriters (either alone or together with its respective related, inter-related or concert parties) to the Proposed Rights Offer, is able to exercise at least 35% (thirty five percent) of all of the voting rights attached to the PPC Ordinary Shares, the benefit of a mandatory offer from such underwriter or underwriters in terms of section 123 of the Companies Act to acquire any remaining securities of PPC on terms determined in accordance with the Companies Act and the Takeover Regulations, be and is hereby irrevocably waived as contemplated in Regulation 86(4) of the Companies Regulations.”

In terms of the Companies Act and the Companies Regulations, this resolution must be supported by independent holders of more than 50% of the general voting rights of all issued securities of PPC for it to be approved.

The reason for this ordinary resolution 2 is that section 123(3) of the Companies Act provides that, in the event that pursuant to the acquisition of a beneficial interest in voting rights attached to securities of a company, a person is able to exercise at least 35% of all of the voting rights attached to the securities of that company, the person is required to offer to acquire any remaining securities of that company on terms determined in accordance with the Companies Act and the Takeover Regulations. Regulation 86(4) of the Companies Regulations provides that a transaction is exempt from the obligation to make a mandatory offer if the independent holders of more than 50% of the general voting rights of all issued securities of the company

have agreed to waive the benefit of such a mandatory offer. The adoption of this resolution will give effect to a waiver of the right to receive a mandatory offer from the underwriters of the Proposed Rights Offer in the event that, pursuant to the Proposed Rights Offer, one or more such underwriters (either alone or together with its related or inter-related parties or concert parties) is able to exercise at least 35% of all of the voting rights attached to securities of PPC.

IDENTIFICATION OF SHAREHOLDERS

In terms of section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of the person to participate and vote at the General Meeting, either as a Shareholder, or as a proxy for a Shareholder, has been reasonably verified. Acceptable forms of identification include a valid identity document, driver's licence or passport.

RECORD DATES

The Directors have, in terms of the Listings Requirements and section 59 of the Companies Act, set the following record dates for purposes of determining which PPC Shareholders are entitled to:

- receive the Notice of General Meeting: Friday, 24 June 2016 ("**Notice Record Date**"); and
- participate in and vote at the General Meeting: Friday, 22 July 2016 ("**Voting Record Date**").

VOTING AND PROXIES

On a show of hands, every Shareholder of the Company present in person or represented by proxy shall have one vote only. On a poll, every Shareholder of the Company present in person or represented by proxy shall have the voting rights set out in the MOI.

A. If you have Dematerialised your PPC Shares without "own name" registration, then the following actions are relevant to you in connection with the General Meeting:

Voting at the General Meeting

- If you have not been contacted by your CSDP or broker, it would be advisable for you to contact your CSDP or broker and furnish them with your voting instructions.
- If your CSDP or broker does not obtain voting instructions from you, they will vote in accordance with the instructions contained in the agreement concluded between you and your CSDP or broker.
- You must **NOT** complete the attached form of proxy.

Attendance and representation at the General Meeting

In accordance with the mandate between you and your CSDP or broker, you must advise your CSDP or broker if you wish to attend the General Meeting in person, or if you wish to send a proxy to represent you at the General Meeting. Your CSDP or broker will issue the necessary letter of representation to you or your proxy to attend the General Meeting.

B. If you have not Dematerialised your PPC Shares or have Dematerialised your PPC Shares with "own name" registration, then the following is relevant to you in connection with the General Meeting:

Voting, attendance and representation at the General Meeting

- You may attend, speak and vote at the General Meeting in person.
- Alternatively, you may appoint one or more proxies to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions it contains. A proxy need not be a Shareholder of the Company. It is requested that the form of proxy be lodged with or posted to the Transfer Secretaries to be received by no later than **10:00 (South African time) on Thursday, 28 July 2016**. If you do not lodge or post the form of proxy to reach the Transfer Secretaries by the relevant time, you will nevertheless be entitled to have the form of proxy lodged immediately prior to the General Meeting with the chairman of the General Meeting.

ELECTRONIC PARTICIPATION BY SHAREHOLDERS

In compliance with the provisions of the Companies Act and the MOI, PPC intends to offer PPC Shareholders (or a representative or proxy for a Shareholder) reasonable access through electronic facilities to participate in the General Meeting by means of a conference call facility. Shareholders will be able to listen to the proceedings of the General Meeting and raise questions and are invited to indicate their intention to make use of the facility by making application in writing (including details as to how the Shareholder or representative can be contacted) to the Transfer Secretaries at the address set out on page 4 of this Circular to be received by the Transfer Secretaries at least 10 Business Days prior to the date of the General Meeting; namely before **10:00 (South African time) on Monday, 18 July 2016**.

The Transfer Secretaries will, by way of email, provide the relevant details of the conference call to enable interested PPC Shareholders to participate in the General Meeting. Voting will not be possible via the electronic facility and PPC Shareholders wishing to vote their PPC Shares at the General Meeting will need to be represented at the General Meeting either in person, by proxy or by letter of representation, as provided for in the Notice of General Meeting.

The Company reserves the right not to provide for electronic participation at this General Meeting in the event that it is not practical to do so, for whatever reason, including an insufficient number of PPC Shareholders (or their representatives or proxies) choosing to make use of the facility.

By order of the board of Directors

DJ Castle

Chief Executive Officer

1 July 2016

Registered office

148 Katherine Street
Sandton 2196
(PO Box 787416, Sandton, 2146)



PPC Ltd

(Incorporated in the Republic of South Africa on 22 April 1892)

Registration number 1892/000667/06

Share code: PPC ISIN: ZAE000170049

("PPC" or "the Company")

FORM OF PROXY

The definitions and interpretations commencing on page 9 of the Circular to which this form of proxy is attached apply, *mutatis mutandis*, to this form of proxy.

FOR USE BY ONLY CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED SHAREHOLDERS WITH "OWN NAME" REGISTRATION IN RESPECT OF THE GENERAL MEETING OF SHAREHOLDERS TO BE HELD AT 10:00 SOUTH AFRICAN TIME ON MONDAY, 1 AUGUST 2016 AT THE JSE, ONE EXCHANGE SQUARE, GWEN LANE, SANDOWN, 2196 (PARKING AVAILABLE AT 24 CENTRAL, CORNER GWEN AND FREDMAN) AND AT ANY ADJOURNMENT THEREOF.

THIS FORM OF PROXY IS NOT FOR USE BY SHAREHOLDERS WHO HAVE DEMATERIALIZED SHARES WITHOUT "OWN NAME REGISTRATION".

I/We

(Full Name in BLOCK LETTERS)

of

(Address in BLOCK LETTERS)

Telephone number: Cell phone number:

e-mail address:

being a Shareholder(s) of the Company, holding PPC Shares in the Company, do hereby appoint:

1. _____ or, failing him/her

2. _____ or, failing him/her

3. the chairman of the General Meeting

as my/our proxy to attend, speak and, on a poll, vote on my/our behalf at the General Meeting to be held at One Exchange Square, Gwen Lane, Sandown, 2196, on Monday, 1 August 2016 at 10:00 South African time and at any adjournment thereof, and to vote or abstain from voting as follows on the resolutions to be proposed at such General Meeting as follows:

please indicate with an "X" in the appropriate spaces how votes are to be cast

	For	Against	Abstain
Special Resolution 1: Increase of authorised stated capital			
Special Resolution 2: Amendment of MOI			
Special Resolution 3: Authorisation for the ability to issue 30% or more of the Company's Shares for the purposes of implementing the Proposed Rights Offer			
Ordinary Resolution 1: Placing control of the authorised but unissued shares under the control of the Directors for the purposes of implementing the Proposed Rights Offer			
Ordinary Resolution 2: Waiver of the mandatory offer provisions of the Companies Act			

A Certificated Shareholder or Dematerialised Shareholder with "own name" registration entitled to attend, speak at and vote at the General Meeting may appoint a proxy or proxies to attend, speak at and vote at the General Meeting in his/her/its stead. A proxy need not be a shareholder of the Company.

Every person present and entitled to vote at the General Meeting shall on a show of hands have one vote only, irrespective of the number of PPC Shares such person holds or represents, and on a poll, shall have the voting rights set out in the MOI.

Signed at _____ on _____ 2016

Name in BLOCK LETTERS

Signature

(Initials and surname of joint Shareholders, if any)

Assisted by (if applicable)

Please read the notes on the reverse side hereof

This form of proxy is not for use by holders of non-participating perpetual preference shares.

NOTES: VOTING AND PROXIES

1. A signatory to this form of proxy may insert the name of a proxy or the name of an alternative proxy of the signatory's choice in the blank spaces provided with or without deleting "the chairman of the General Meeting", but any such deletion must be signed in full by the signatory. Any insertion or deletion not complying with the foregoing will be deemed not to have been validly effected. The person present at the General Meeting, whose name appears first on the list of names overleaf, shall be the validly appointed proxy of the Shareholder at the General Meeting.
2. A Shareholder's instructions to the proxy must be indicated in the appropriate spaces provided. A Shareholder or the proxy is not obliged to use all the votes exercisable by the Shareholder or by the proxy, or to cast all those votes in the same way, but the total of votes cast, and in respect whereof abstention is directed, may not exceed the total of the votes exercisable by the shareholder or the proxy. Failure to comply with the above or to provide voting instructions or the giving of contradictory instructions will be deemed to authorise the proxy, if he is the chairman of the General Meeting, to vote in favour of the resolutions at the General Meeting in respect of all the Shareholder's votes exercisable at the General Meeting or if he or she is not the chairman of the General Meeting, to vote or abstain from voting at the General Meeting as he/she deems fit in respect of all the Shareholder's votes exercisable at the General Meeting.
3. A proxy may not delegate his/her authority to act on behalf of the Shareholder, to another person.
4. A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the PPC Shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the Transfer Secretaries not less than 24 hours before the commencement of the General Meeting, or at any adjournment thereof.
5. Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatory.
6. 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 Transfer Secretaries.
7. A minor must be assisted by his/her parent/guardian and the relevant documentary evidence establishing his/her legal capacity must be attached to this form of proxy unless previously recorded by the Transfer Secretaries.
8. The completion and lodging of this form of proxy will not preclude the Shareholder who grants the proxy from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such Shareholder wish to do so.
9. When there are joint holders of PPC Shares, any one holder may sign the form of proxy.
10. The chairman of the General Meeting may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with these notes, provided that he is satisfied as to the manner in which the Shareholder concerned wishes to vote.
11. The appointment of a proxy or proxies:
 - a. is suspended at any time and to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder;
 - b. is revocable in which case a Shareholder may revoke the proxy appointment by:
 - i. cancelling it in writing or making a later inconsistent appointment of a proxy; and
 - ii. delivering a copy of the revocation instrument to the proxy and to the Company.
12. It is requested that completed forms of proxy should be returned to one of the undermentioned addresses by no later than **10:00** (South African time) on **Thursday, 28 July 2016**:

South Africa	Computershare Investor Services Proprietary Limited	70 Marshall Street Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107)
Zimbabwe	Corpserve (Private) Limited	2nd Floor, ZB Centre Corner First Street and Kwame Nkurumah Avenue Harare, Zimbabwe (PO Box 2208, Harare, Zimbabwe)

13. Forms of proxy not so returned by the relevant time may be lodged immediately prior to the General Meeting with the chairman thereof.
14. Summary in terms of section 58(8)(b)(i) of the Companies Act:

Section 58(8)(b)(i) provides that if a company supplies a form of instrument for appointing a proxy, the form of a proxy supplied by the company for the purpose of appointing a proxy must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, which summary is set out below:

 - A shareholder of a company may, at any time, appoint any individual, including an individual who is not a shareholder of that company, as a proxy, among other things, to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.
 - A shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
 - A proxy may not delegate the proxy's authority to act on behalf of the shareholder to another person.
 - A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid only until the end of the General Meeting at which it was intended to be used, unless the proxy appointment is revoked, in which case the proxy appointment will be cancelled with effect from such revocation.
 - A shareholder may revoke a proxy appointment in writing.
 - A proxy appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder.
 - A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction.