

## SALLIES LIMITED

### MINUTES OF A GENERAL MEETING HELD AT SUMMER PLACE, 69 MELVILLE ROAD, HYDE PARK, JOHANNESBURG, AT 15:30 ON THURSDAY 22 OCTOBER 2009

#### Present:

#### Representatives of shareholders (duly authorised):

Mr S Swana (director and chairman of the meeting) representing Standard Bank Nominees (Pty) Ltd (71 565 202 shares).

Mr J A Arnott representing SA Stockbrokers Nominees (Pty) Ltd (1 500 000 shares)

Mr CMT Goemans representing BNS Nominees (Pty) Ltd (46 688 shares)

Mr M Essop representing PSG Nominees Tvl (Pty) Ltd (130 000 shares)

Mr M Compagnoni representing Standard Bank Nominees (Pty) Ltd (200 000 shares).

Mr J Passin representing Firebird Global Master Fund II Ltd (223 010 714 shares) and Firebird Global Master Fund Ltd (183 982 053 shares).

Mr BE Shaw representing Standard Bank Nominees (Pty) Ltd (2 900 000 shares)

Mr N Davidoff representing Standard Bank Nominees (Pty) Ltd (200 000 shares).

#### Directors (not listed above):

Mr J Blersch (Financial Director)

Mr J Kögl

Mr PR Cooke

Mr SP Morris

#### Visitors:

Company secretary: Mr RS O'Callaghan

Chief Executive Officer: Mr TG Dale

Representing Meropa Communications (Pty) Ltd: Mr M Gebhardt

Representing Computershare Investor Services (Pty) Ltd: Mr B Thomas and Mr I van Schoor

Representing BDO Spencer Steward Inc: Mr J Lemmer

Representing Bowmans: Mr J Kotze

Representing Faskens: Dimitri Corvadas

BN Ryan (Mining MX)

L Biyase (Business Report)

L Malekule (Business Report))

M Hill (Financial Mail)

#### Welcome

Mr Swana announced that he would be chairing the meeting in the absence of Dr FJP Roux in view of the resolution affecting Dr Roux. He welcomed all present and confirmed that a quorum was present.

It was unanimously resolved that the notice convening the meeting be taken as read.

He informed the meeting that ordinary resolution number 4 included in the notice of the meeting was being withdrawn because Mr Tom Dale had resigned and was not available for re-election.

#### Poll

He announced that, in the interest of good governance he would call for the resolutions to be determined by a poll. All eligible shareholders and representatives confirmed that they had voting papers. Mr Brian Thomas as representative of Computershare Investor Services (Pty) Ltd was elected to act as scrutineer.

The chairman proposed resolutions one to three in turn. All motions were seconded.

The acceptability of a single motion that combined the proposed removal of Dennis Kerrison and the appointment of Andrew Kamau in his stead was questioned. The company secretary

confirmed that such a resolution was in order in terms of the Companies Act. The resolution was worded in accordance with the requisition made by the major shareholder for the meeting. The resolution removing Fred Roux as director and chairman led to a question as to Firebird's intentions for the company's future.

Although not directly related to the resolutions the chairman invited James Passin, founder of Firebird, to respond to this question. He explained that the funds had a combined \$1.5 billion under management with the stated objective of investing in resources. The fund managers saw strong potential for fluorspar and were keen to support the company. He was asked about the executive and technical management of the company in view of Tom Dale's departure. He replied that this would be a matter for the board to handle, but in view of the mothballed state of both operations this was not critical immediately. The offer to minorities had increased Firebird's shareholding to 74% of the issued share capital. The minority shareholders were under no obligation to sell their shares and Firebird had no intention of liquidating the company. The absence of a SENS announcement by Sallies of the results of the offer to minorities was criticized but it was pointed out that such an announcement was in fact made by Firebird under the SENS heading "GEN".

Voting papers were marked, collected and counted by the scrutineers.

The chairman announced that all the resolutions been carried by the requisite majority, and invited delegates to examine the detailed results which were as follows:

| <b>Resolution</b> | <b>Subject</b>   | <b>Votes for</b> | <b>Against</b> | <b>Abstain</b> | <b>Majority</b> |
|-------------------|--|------------------|----------------|----------------|-----------------|
| Ordinary 1        | Appoint Nicholas Davidoff as non-executive director                                  | 479 988 606      | 46 688         | 0              | 99.99%          |
| Ordinary 2        | Removal of Dennis Kerrison and appointment of Andrew Kamau as non-executive director | 478 358 606      | 1 676 688      | 0              | 99.65%          |
| Ordinary 3        | Removal of Fred Roux as a director   | 478 358 606      | 1 676 688      | 0              | 99.65%          |

### **Close**

There being no further business the chairman thanked those present for their attendance and declared the meeting closed.

Approved:

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Date