Mine Restoration
INVESTMENTS LIMITED

ANNUAL REPORT 2017

INDEX

The reports and statements set out below comprise the audited consolidated financial statements presented to the shareholders:

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Directors	RM Tait (Non-Executive Chairman) CB Roed (Lead Independent Non-Executive Director) QJ George (Independent Non-Executive Director) SJM Caddy (Independent Non-Executive Director) N Preston (Financial director) MJ Miller (Chief Executive Officer) A Collins (Independent Non-Executive Director)
Registered office	The Zone Business Lofts West 31 Tyrwhitt Avenue The Zone Rosebank 2196
Business address	The Zone Business Lofts West 31 Tyrwhitt Avenue The Zone Rosebank 2196
Postal address	PO Box 825 Irene Pretoria 0062
Auditor	Grant Thornton Johannesburg Partnership Chartered Accountants (S.A.) Registered Auditors Member firm of Grant Thornton International
Secretary	Neil Esterhuysen & Associates Incorporated
Company registration number	1987/004821/06
Level of assurance	These consolidated financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The audited consolidated financial statements were internally compiled by: Marisca Meyer Professional Accountant (SA)

CORPORATE GOVERNANCE REVIEW

The MRI Group, the board of directors of MRI (the "Board") and the individual directors support implementing best governance principles and practices throughout the MRI Group.

The Board continues to subscribe to the values of good corporate governance as set out in the King Report on Governance ("King IV Report") and those prescribed by the JSE Listings Requirements. The aim is to maintain the highest standards of integrity to ensure that the principles set out in the King IV Report are observed and implemented.

The Board is of the opinion that the MRI Group complies in all material respects with the principles embodied in the King IV Report and the additional requirements for corporate governance stipulated by the JSE Listings Requirements. Where specific principles have not been applied explanations for those are provided below.

A full register of the King IV principles, and the extent of MRI's compliance therewith, is available on page 6 of this annual report.

An overview of the Board composition, committees and company secretary is provided below.

1. The Board

The Board is responsible for the strategic direction and control of MRI. The Board currently comprises of 7 directors, 5 being independent non-executive directors and 2 executive directors.

The Board consists of members with varied backgrounds and skills, in order to contribute to the strategy and direction of MRI. The Board comprises an appropriate balance of power between executive and non-executive directors, and there is no individual that has unfettered powers of decision making and no individual dominates the Board's deliberations and decisions.

The Board will be chaired by Richard Tait, who is a non-executive director. MRI has appointed Chris Roed as the lead independent director. The Board has appointed Mike Miller as the chief executive officer.

The audit and risk committee has assessed and is satisfied that the financial director, Norman Preston, has the necessary skills and qualifications to fulfil his responsibilities.

2. Committees

The Board has delegated certain specific responsibilities to the following committees, which are detailed more fully below:

Name of committee member	**Combined Audit and Risk Committee ("CARC")**	**Combined Remuneration & Nomination Committee ("CRNC")**	**Combined Social & Ethics Committee ("CSEC")**
Chris Roed	X Chair		X
Alistair Collins		X	X Chair
Quinton George	X		X
Syd Caddy	X	X Chair	
Richard Tait		X	

The CARC

The objective of the CARC is to assist the Board with its responsibility of safeguarding assets, maintaining effective and efficient internal controls, reviewing the financial information and overseeing the preparation of the annual financial statements.

The CARC has reviewed the financial reporting procedures of MRI and is satisfied that there are appropriate financial reporting procedures established, and that these have been operating sufficiently for the past financial period.

The CARC consists of 3 independent non-executive board members and is chaired by Chris Roed.

The CARC met 3 times in the past financial year.

The CARC has considered and is satisfied that the Financial Director, Norman Preston, has the necessary experience and expertise to execute his function.

The CRNC

The CRNC is responsible for considering the nomination of new directors and the remuneration of the executive directors and making recommendations to the Board in this regard.

The CRNC consists of 3 non-executive directors and is chaired by Syd Caddy. The CRNC met 3 times in the past financial year.

The remuneration policy and implementation report will be tabled for a separate non-binding advisory vote by shareholders at the annual general meeting to be held on 12 December 2017.

The CRNC will also take into account any feedback received from shareholders during the annual general meetings and will endeavour to liaise with shareholders who have raised concerns on the remuneration policy of MRI with a view of resolving concerns raised, where possible.

The remuneration policy will record the measures that the Board commits to take in the event that either the remuneration policy or the implementation report is voted against by 25% or more of the votes exercised. In such instances, the announcement on the voting results will provide an invitation to dissenting shareholders to engage with MRI and will specify the manner and timing of such engagement. With regards to dissenting shareholders, the remuneration committee members will reach out directly to the shareholder representatives with a view of scheduling a separate meeting for their concerns to be addressed.

The Remuneration Policy of MRI addresses remuneration on an organisation wide basis and is a key component of MRI's HR strategy, which must always fully support the overall business strategy.

Given that MRI is currently a listed cash shell, the Remuneration Policy currently has limited scope and applicability because the only current objective is to maintain sufficient liquidity to remain a going concern whilst canvassing the market for viable opportunities to submit to shareholders.

When MRI executes a viable commercial opportunity, the remuneration policy will have to be reviewed for adequacy and applicability. Regardless of the exact applicability, the overriding functions and principles of the Remuneration Policy, are as follows:

- To attract top talent, whilst acknowledging the difficult financial position of the company, in order to support the successful recapitalisation of the MRI business to execute the investment strategy.
- Build a competitive, high performance and innovative company with an entrepreneurial culture that attracts, retains, motivates and rewards high-performing employees.
- To promote the highest levels of adherence to governance requirements of King IV.
- To promote an ethical culture and responsible corporate citizenship.

- To create a culture within MRI that promotes, recruits and rewards excellence.
- To promote an environment that motivates high performance so that all employees can positively contribute to the strategy, vision, goals and values of the company.
- To set employees' total remuneration packages at competitive levels by benchmarking to the market and providing incentives geared to agreed performance which support MRI's business strategy.
- To align the best interests of our employees with those of other MRI stakeholders. We believe that alignment creates synergy.

We believe the long-term success of the group is directly linked to the calibre of employees that we employ and the working environment that we create.

MRI is currently in advanced negotiations with a potential target which will fundamentally change the MRI landscape. Should the transaction prove successful, MRI will review the remuneration policy and make the necessary changes and additions at the beginning of the 2019 financial year upon the acquisition of the target.

The remuneration policy will record the measures that the Board commits to take in the event that either the remuneration policy or the implementation report is voted against by 25% or more of the votes exercised

The CSEC

The purpose of the CSEC is to ensure that the MRI Group is, and remains, a good and responsible corporate citizen, and to perform the statutory functions required of a social and ethics committee in terms of the Companies Act.

The CSEC consists of 3 independent non-executive directors and is chaired by Alistair Collins. The CSEC met 2 times in the past financial year.

3. Race and gender diversity

The Board acknowledges the importance of race and gender diversity at a board level. However, given its current status the Board has not yet adopted a race and gender diversity policy.

As soon as it has certainty on its future operations, the Board with the assistance of the CRNC, will adopt a policy and set certain voluntary targets for race and gender diversity.

4. The Company Secretary

Neal Esterhuysen & Associates has been appointed as the company secretary.

The Board has, by way of an informal review, assessed and satisfied itself of the competence, qualifications and experience of the company secretary.

5. King IV register

The table below sets out the Company's compliance with the principles of King IV.

Principles	Status	Apply and Explain
Part 5.1: LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP		
LEADERSHIP		
Principle 1: The governing body should lead ethically and effectively	X	The governing body has established the various committees referred to in paragraph 2, above, and is confident, on a prospective basis that the combined inputs of such committees will produce conformity with this principle such that the governing body will exhibit the requisite levels of integrity, competence, responsibility, accountability, fairness and transparency.
ORGANISATIONAL ETHICS		
Principle 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	X	The CSEC consists entirely of independent non-executive directors with the objectivity to ensure conformity with this principle so as to support the establishment of an ethical culture. The CSEC will (a) set the direction of how ethics should be approached by the organisation; (b) provide codes of conduct and ethics policies; (c) set out parameters for engaging internal and external stakeholders; (d) provide for arrangements that familiarise employees and other stakeholders with the organisation's ethical standards.
RESPONSIBLE CORPORATE CITIZENSHIP		
Principle 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	X	Even though MRI is effectively dormant, the governing body is fully committed to responsible corporate citizenry. The SCEC framework will ensure tangible adherence in this regard.
PART 5.2: STRATEGY, PERFORMANCE AND REPORTING		
STRATEGY AND PERFORMANCE		
Principle 4: The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	X	Even though MRI is effectively dormant, the governing body acknowledges that. MRI's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.
REPORTING		
Principle 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.	X	The board has kept its shareholders updated in line with JSE requirements around the opportunities being assessed by the board.

PART 5.3: GOVERNING STRUCTURES AND DELEGATION		
PRIMARY ROLE AND RESPONSIBILITIES OF THE GOVERNING BODY		
Principle 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation.	X	The board adheres to the requirements of King IV.
COMPOSITION OF THE GOVERNING BODY		
Principle 7: The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.		The board has not yet adopted a diversity policy given the lack of current operations. As soon as there is certainty about the future of the business, a policy and targets will be adopted
COMMITTEES OF THE GOVERNING BODY		
Principle 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties.	X	Sub-committees appointed by the board include the CARC, CSEC and CRNC. These committees all meet independently but report directly to the board and decisions taken by such committees all require approval of the board prior to implementation.
EVALUATIONS OF THE PERFORMANCE OF THE GOVERNING BODY		
Principle 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	X	Even though MRI is effectively dormant, the board strives to achieve the highest levels of governance. The well balanced governing body will review its performance on an annual basis.
APPOINTMENT AND DELEGATION TO MANAGEMENT		
Principle 10: The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	X	Even though MRI is effectively dormant, the board strives to achieve the highest levels of governance. This will be reviewed when MRI makes any investments.
Part 5.4: GOVERNANCE FUNCTIONAL AREAS		
Principle 11: The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	X	Even though MRI is effectively dormant, the board strives to achieve the highest levels of governance. This will be reviewed when MRI makes any investments.
TECHNOLOGY AND INFORMATION GOVERNANCE		
Principle 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	X	Even though MRI is effectively dormant, the board continues strives to achieve the highest levels of governance. This will be reviewed when MRI makes any investments.
COMPLIANCE GOVERNANCE		
Principle 13: The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	X	Even though MRI is effectively dormant, the board strives to achieve the highest levels of governance. This will be reviewed when MRI makes any investments.

REMUNERATION GOVERNANCE		
Principle 14: The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	X	Even though MRI is effectively dormant, the directors all have unlimited access to the company secretary who, inter alia, advises the board and its committees on issues relating to compliance with procedures, the JSE's listing requirements and the King reports on corporate governance.
Principle 15: The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	X	Even though MRI is effectively dormant, the board strives to achieve the highest levels of governance. This will be reviewed when MRI makes any investments.
STAKEHOLDERS		
Principle 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	X	Even though MRI is effectively dormant, the board continues strives to achieve the highest levels of governance. This will be reviewed when MRI makes any investments.
RESPONSIBILITIES OF INSTITUTIONAL INVESTORS		
Principle 17: The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.		MRI is not an Institutional Investor, as defined by the King IV report on corporate governance.

COMBINED AUDIT AND RISK COMMITTEE REPORT ("CARC")

The report of the CARC is presented as required by Section 61(8 a iii) of the Companies Act.

Functions and Responsibilities of the CARC

The role of the CARC is to assist the Board by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. It exercises its functions through close liaison and communication with company management and the external auditors.

The CARC is guided by its terms of reference as approved by the Board, dealing with membership, structure, and levels of authority and has the following responsibilities:

- ensuring compliance with applicable legislation and the requirements of any regulatory authority;
- nominating for appointment a registered auditor who, in the opinion of the audit committee, is independent of the MRI Group;
- considering whether the expertise and experience of the Financial Director is appropriate;
- considering matters relating to financial accounting, accounting policies, reporting and disclosure and ensure integrity of the MRI Group's annual report;
- considering internal and external audit policy including determining fees and the terms of engagement;
- considering and evaluating, on an on-going basis, the need for an internal audit function and audit plans;
- reviewing and approving external audit plans, findings, problems, reports, fees and determining and approving any non-audit services that the auditor may provide to the MRI Group;
- ensuring compliance with the Code of Corporate Practices and Conduct; and
- ensuring compliance with the MRI Group's code of ethics.

The members of the CARC adopted an audit mandate which will be reviewed annually. The CARC has established a policy, as well as required procedures with regard to the use of the external auditors, for non-audit services. During the year under review, no non-audit services were utilized.

The CARC also assesses and monitors all risk matters including compliance risk matters, which responsibilities have been assumed with the adoption by the CARC of a risk mandate.

The CARC is informed of regulatory and other monitoring and enforcement requirements designed to ensure that the Company's financial information complies with financial reporting and other regulatory requirements.

Members of the Combined Audit and Risk Committee
The current CARC members are:

C Roed (Chairman)

Quinton George, and

Syd Caddy

In terms of King IV, a minimum of three independent non-executive directors is recommended. In terms of the JSE Listings Requirements, the CARC must be constituted in terms of King IV. All three members of the CARC are independent non-executive directors. Mr. C Roed acts as lead independent non-executive director and chairs the CARC.

The external auditors, the Chief Executive Officer and the Financial Director are all invited to attend the meetings of the CARC.

Frequency of meetings

The CARC intends meeting a minimum of three times per year and provision will be made for additional meetings to be held when, and if, necessary. The CARC has met twice during the 2017 financial year and twice after the previous annual general meeting and up to the date of this report.

COMBINED AUDIT AND RISK COMMITTEE REPORT (”CARC”) continued

Independence of external audit

A responsibility of the CARC is the assessment of the independence of the external auditor. The CARC duly satisfied itself that, in accordance with the Companies Act, Grant Thornton, remains independent of MRI.

Expertise and experience of the financial director

The CARC is satisfied with the expertise and experience of the financial director and is satisfied that appropriate financial reporting procedures are in place and are operating.

Financial statements

Management has reviewed the consolidated financial statements of the Company and MRI Group with the Committee, and the CARC has reviewed them without management or the external auditor being present. The quality of the accounting policies are discussed with the external auditor and a private discussion was held with the external auditor. The CARC considers the consolidated financial statements of the MRI Group to be a fair presentation of its financial position as at 28 February 2017 and of the results of the operations, changes in equity and cash flows for the period then ended, in accordance with International Financial Reporting Standards and the Companies Act and similarly recommended the consolidated financial statements to the Board for approval.

C Roed
Chairman of the CARC

4 October 2017

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the audited consolidated financial statements and related financial information included in this report. It is their responsibility to ensure that the audited consolidated financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the audited consolidated financial statements.

The audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

With regard to a system of internal control: this will be enhanced once projects become operational and revenue is generated. The directors are of the opinion, based on the information and explanations given by management, that the current system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated financial statements. However, any of the internal financial controls can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the year to 28 February 2018 and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the consolidated's audited financial statements. The audited consolidated financial statements have been examined by the company's external auditor and their report is presented on pages 7 to 9.

The audited consolidated financial statements set out on pages 13 to 37, which have been prepared on the going concern basis and the directors' report on pages 10 to 12, were approved by the board on 6 October 2017 and were signed on their behalf by:

N Preston (Financial director)	**RM Tait (Non-Executive Chairman)**

COMPANY SECRETARY REPORT

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OUR REF: NEA/MN/W59

YOUR REF: MRI LTD

DATE: 6 OCTOBER 2017

MINE RESTORATION INVESTMENTS LIMITED
THE ZONE BUSINESS LOFTS WEST
31 TYRWHITT AVENUE
ROSEBANK
JOHANNESBURG
0062

IN RE: MINE RESTORATION INVESTMENTS LIMITED COMPANY SECRETARY'S REPORT 2017

I the undersigned certify that, in accordance with Section 88(2)(e) of the Companies Act 71 of 2008, the Company has filed the required returns and notices with the Registrars of Companies, and that all such returns and notices appear to be true, correct and up to date.

BD Esterhuysen

BD ESTERHUYSEN

NEIL ESTERHUYSEN & ASSOCIATES INC.

Grant Thornton

Independent Auditor's Report
To the shareholders of
Mine Restoration Investments Limited

Report on the financial statements

Opinion

We have audited the consolidated financial statements of Mine Restoration Investments Limited (the group) set out on pages 13 to 37 which comprise the statement of financial position as at 28 February 2017, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the group as at 28 February 2017, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 26 in the financial statements, which indicates that the Company incurred a net loss of R1 million during the year ended 28 February 2017 and, as of that date, the Company's current liabilities exceeded its total assets by R4.3 million. As stated in Note 26, these events or conditions, along with other matters as set forth in Note 26, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. Other than the matter described in the *Material Uncertainty related to Going Concern* section, we have determined that there are no key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Report, which is expected to be made available to us after that date. Other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is

Grant Thornton

necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and / or the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and / or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements
In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Grant Thornton Johannesburg Partnership has been the auditor of Mine Restoration Investments Limited for 3 years.

In accordance with our responsibilities in terms of sections 44(2) and 44(3) of the Auditing Profession Act, we report that we have identified certain unlawful acts or omissions committed by persons responsible for the management of Mine Restoration Investment Limited which constitute a reportable irregularity in terms of the Auditing Profession Act, and have reported such matters to the Independent Regulatory Board for Auditors. This matter arose as there has been a contravention of Section 30(1) of the Companies Act as the company did not prepare annual financial statements within six months after year end.

Grant Thornton

GRANT THORNTON
Registered Auditors
Practice Number: 903485E

J Barradas
Registered Auditor
Chartered Accountant (SA)

6 October 2017

@Grant Thornton
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DIRECTORS' REPORT

The directors have pleasure in submitting their report on the audited consolidated financial statements of Mine Restoration Investments Limited ("MRI") for the year ended 28 February 2017. The individual company annual financial statements are not included in this report, but can be viewed at the Company's registered address.

1. Nature of business

The MRI Group is an environmental services company. After closing down the coal operation, the company focused on eliminating all corporate costs and maintaining the company as a cash shell. It pursued various potential investors, who were interested in utilising the listing, and tried to close the Iron Mineral Beneficiation Services ("IMBS") transaction, as an alternative to delisting and voluntary winding up. The operation was placed on care and maintenance in July 2015, owing to severe drought conditions in KwaZulu-Natal. Owing to the operating conditions and lack of prospects, the operations were shut down and all the assets disposed of to settle the liabilities. MRI abandoned its efforts to commercialise its proprietary Acid Mine Drainage ("AMD") technology in 2014, owing to political interference and no prospects for success.

2. Review of financial results and activities

Full details of the financial position, results of operations and cash flows of the company are set out in these audited consolidated financial statements.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Directorate

The directors in office at the date of this report are as follows:

Directors	Changes
RM Tait (Non-Executive Chairman)	
L Albinski (Independent Non-Executive Director)	Resigned 03 May 2016
CB Roed (Lead Independent Non-Executive Director)	
QJ George (Independent Non-Executive Director)	
SJM Caddy (Independent Non-Executive Director)	
N Preston (Financial director)	
MJ Miller (Chief Executive Officer)	Appointed 28 April 2017
A Collins (Non-Executive Director)	Appointed 07 September 2017

5. Subsidiaries

- MRI holds 100% of the shares in Western Utilities Corporation Proprietary Limited ("WUC"). WUC invested in the AMD project

- WUC holds 50% of the total share capital of Prodiflex Coal Proprietary Limited which has access to and the right to distribute the binding material used in the production of briquettes

- WUC holds 100% of the total share capital of Octavovox Proprietary Limited which holds the rehabilitation and processing rights to process coal fines at the Vaalkrantz Colliery.

6. Secretary

The company secretary is Neil Esterhuysen & Associates Incorporated. The board of directors have considered and is satisfied that the company has the necessary competence, qualifications and experience.

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7. Auditor

Grant Thornton Johannesburg Partnership continued in office as auditors for the company for 2017.

8. Dividends

No dividends were declared or paid to shareholders during the year.

9. Litigation

There are no proceedings which are pending or threatened, which may have, or which have had a material effect on the financial position of the Group.

10. Special resolutions

No special resolutions, the nature of which might be significant to the shareholder in their appreciation of the state of affairs of the company were made by the company during the period covered by this report.

11. Directors' interests in issued shares

The individual interests declared by the directors and officers in the Company's share capital as at 28 February 2017, as well as the comparative totals for the year ended 29 February 2016, were as follows:

Directors 2017	**Direct**	**Beneficial Indirect**	**Total - 2017 (as at 28 February 2017)**	**% - 2017**
QJ George (Independent Non-Executive Director)	8 000	-	8 000	-
SJM Caddy (Independent Non-Executive Director)	1 140 000	-	1 140 000	0.13
CB Roed (Lead Independent Non-Executive Director)	2 508 000	-	2 508 000	0.29
RM Tait (Non-Executive Chairman)	1 596 000	-	1 596 000	0.18
	5 252 000	**-**	**5 252 000**	**0.60**

Directors 2016	**Direct**	**Beneficial Indirect**	**Total - 2016 (as at 29 February 2016)**	**% - 2016**
QJ George (Independent Non-Executive Director)	8 000	-	8 000	-
SJM Caddy (Independent Non-Executive Director)	1 140 000	-	1 140 000	0.13
CB Roed (Lead Independent Non-Executive Director)	2 508 000	-	2 508 000	0.29
RM Tait (Non-Executive Chairman)	1 596 000	-	1 596 000	0.18
	5 252 000	**-**	**5 252 000**	**0.60**

There has been no change in director's interest from 28 February 2017 until the date of this annual report.

12. Events after the reporting period

In November 2016, management arranged for Growth Equities to acquire Stellar Capital Partners Limited's equity stake and loan account, and to provide additional working capital to pay creditors. The company focused on consummating the IMBS transaction which had been contemplated a year earlier. Post 28 February 2017, management persauded an angel investor (Gamsy Family Trust) to further capitalise the business in the form of a loan to be converted into equity once the deal closes. Creditors have subordinated their claims and provided support in order to maintain the company's solvency and liquidity and going concern.

13. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited consolidated financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a position to continue as a going concern and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The company is in breach of the JSE regulations and of the Companies Act, for failure to produce annual financial statements of all companies within 6 months of year end, and to hold an annual general meeting.

The Gamsy Family Trust was identified as a potential investor in MRI, and post 28 February 2017, the Trust provided a working capital facility to fund operating and transaction costs. Both the Gamsy Family Trust and Growth Equities loans were subordinated to maintain the solvency of the company.

We draw attention to the fact that at 28 February 2017, the group had accumulated losses of R 91,7 million and that the company's total liabilities exceed its assets by R 4,2 million.There is still material uncertainty whether the group can continue as a going concern as the group currently has no operations and is dependent on the angel investor financing to settle it's other creditors as they become due and payable in the ordinary cause of its business.

STATEMENT OF FINANCIAL POSITION

as at 28 February 2017

	Notes	2017 R '000	2016 R '000
Assets			
Non-Current Assets			
Property, plant and equipment	3	-	7
Deferred tax	6	-	9
		-	**16**
Current Assets			
Trade and other receivables	7	282	352
Other financial assets	5	-	9 772
Cash and cash equivalents	8	29	434
		311	**10 558**
Total Assets		**311**	**10 574**
Equity and Liabilities			
Equity			
Equity Attributable to Equity Holders of Parent			
Share capital	9	85 020	85 020
Equity due to change in ownership		(2 459)	(2 459)
Reserves		5 000	5 559
Accumulated loss		(91 760)	(91 282)
		(4 199)	(3 162)
Non-controlling interest		(64)	(105)
		(4 263)	**(3 267)**
Liabilities			
Current Liabilities			
Trade and other payables	13	1 250	1 174
Other financial liabilities	12	3 324	12 667
		4 574	**13 841**
Total Equity and Liabilities		**311**	**10 574**

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 28 February 2017

	Notes	2017 R '000	2016 R '000
Revenue		187	2 643
Cost of sales		-	(1 192)
Gross profit		**187**	**1 451**
Other income		646	1 093
Operating expenses		(1 299)	(36 290)
Operating loss	15	**(466)**	**(33 746)**
Investment revenue	16	567	244
Finance costs	17	(1 088)	(428)
Loss before taxation		**(987)**	**(33 930)**
Taxation	18	(9)	5 836
Loss for the year		**(996)**	**(28 094)**
Other comprehensive income		-	-
Total comprehensive loss		**(996)**	**(28 094)**
Loss attributable to:			
Owners of the parent		(1 037)	(28 003)
Non-controlling interest		41	(91)
		(996)	**(28 094)**
Total comprehensive loss attributable to:			
Owners of the parent		(1 037)	(28 003)
Non-controlling interest		41	(91)
		(996)	**(28 094)**
Basic loss per share (cents)	19	(0.12)	(3.27)
Diluted loss per share (cents)	19	(0.12)	(3.23)

STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2017

	Stated share capital R '000	Capital reserve R '000	Share based payment reserve R '000	Total reserves R '000	Equity due to change in ownership R '000	Accumulated loss R '000	Total attributable to equity holders of the group / company R '000	Non-controlling interest R '000	Total equity R '000
Balance at 01 March 2015	**83 024**	**5 000**	**559**	**5 559**	**-**	**(63 279)**	**25 304**	**(973)**	**24 331**
Loss for the year	-	-	-	-	-	(28 003)	(28 003)	(91)	(28 094)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**-**	**(28 003)**	**(28 003)**	**(91)**	**(28 094)**
Issue of shares	1 996	-	-	-	-	-	1 996	-	1 996
Purchase of additional shareholding in subsidiary	-	-	-	-	(2 459)	-	(2 459)	959	(1 500)
Total contributions by and distributions to owners of company recognised directly in equity	**1 996**	**-**	**-**	**-**	**(2 459)**	**-**	**(463)**	**959**	**496**
Balance at 01 March 2016	**85 020**	**5 000**	**559**	**5 559**	**(2 459)**	**(91 282)**	**(3 162)**	**(105)**	**(3 267)**
Loss for the year	-	-	-	-	-	(1 037)	(1 037)	41	(996)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**-**	**(1 037)**	**(1 037)**	**41**	**(996)**
Share-based payment charges reversed	-	-	(559)	(559)	-	559	559	-	559
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**(559)**	**(559)**	**-**	**559**	**559**	**-**	**559**
Balance at 28 February 2017	**85 020**	**5 000**	**-**	**5 000**	**(2 459)**	**(91 760)**	**(4 199)**	**(64)**	**(4 263)**
Note	9				10				

The share based payment reserve has been reversed as the option has lapsed on 1 March 2016 without being exercised.

STATEMENT OF CASH FLOWS

for the year ended 28 February 2017

	Notes	2017 R '000	2016 R '000
Cash flows from operating activities			
Cash generated from (used in) operations	20	(313)	(3 543)
Interest revenue		567	-
Finance costs		(1 088)	-
Net cash from operating activities		**(834)**	**(3 543)**
Cash flows from investing activities			
Sale of property, plant and equipment	3	-	727
Sale/(Purchase) of other financial assets		9 772	(9 528)
Net cash from investing activities		**9 772**	**(8 801)**
Cash flows from financing activities			
Proceeds on issuing of share capital	9	-	496
(Repayment of) proceeds from of other financial liabilities		(9 343)	11 686
Net cash from financing activities		**(9 343)**	**12 182**
Total cash movement for the year		**(405)**	**(162)**
Cash at the beginning of the year		434	596
Total cash at end of the year	8	**29**	**434**

ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Auditing and Accounting Standards Board (IAASB), the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee and the requirements of the South African Companies Act and the JSE Listings Requirements. The financial statements have been prepared on the historical cost basis, except for the measurement of financial instruments measured in terms of IAS 39, and incorporate the principal accounting policies set out below. These financial statements are presented in South African Rand, since that is the currency in which the majority of Group's transactions are denominated.

1.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Where necessary, adjustments are made to the financial statements to bring their accounting policies into line with those used by other members of the Group. All subsidiaries have a reporting date of 28 February. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributable to non-controlling interests even if this results in the noncontrolling interest having a deficit.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the annual financial statements and the reported amounts of revenues and expenses during the reporting period based on management's best knowledge of current events and actions. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the annual financial statements are:

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value in use and fair value less costs to sell. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value tangible assets. The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including production estimates, supply and demand, together with economic factors such as exchange rates, inflation and interest rates.

1.2 Significant judgements and sources of estimation uncertainty (continued)

Taxation

Management's judgement is exercised when determining the probability of future taxable profits, which will determine whether deferred tax assets should be recognised or authorised. The recognition of deferred tax assets will depend on whether it is possible to generate sufficient taxable income, taking into account any legal restrictions on the life and on the nature of the asset. When deciding whether to authorise taxation credits, management needs to determine the extent to which future taxable income is likely to be earned and be available for future setoff. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. At this stage such future taxable income is considered uncertain.

To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to authorise the net deferred tax assets recorded at the reporting date could be impacted. In the event that the assessment of future. In the event that the assessment of future payments and future authorisation changes, the change is recognised in the Statement of Comprehensive Income as a prior year under or over provision.

1.3 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, or replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Subsequent to initial measurement property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Plant and machinery	Straight line	10 years
Furniture and fixtures	Straight line	4 years
Motor vehicles	Straight line	4 years
Office equipment	Straight line	3 years
IT equipment	Straight line	3 years
Briquetting plant	Straight line	15 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Decommissioning costs are reviewed annually and raised if considered material. A provision for decommissioning costs in respect of the briquetting plant is not required as Keaton Energy Holdings Limited, the ultimate owner of the mine where the briquetting plant is situated, are responsible for any environmental costs. Costs associated with decommissioning the coal briquetting plant are insignificant.

1.4 Financial instruments

Classification

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs.

Financial assets
Financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within ‘finance costs’, ‘finance income’ or ‘other financial items’, except for impairment of trade receivables which is presented within ‘other expenses’.

Loans and receivables

Financial instruments at fair value through loss or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in loss or loss for the period.

Trade receivables, loans, cash and cash equivalents and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as ‘loans and receivables’. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial.

Derecognition of financial assets

The Group derecognises financial assets only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also collateralised borrowing for the proceeds received.

1.4 Financial instruments (continued)

Impairment of financial assets

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For all other financial assets, objective evidence of impairment includes significant financial difficulty of the issuer or counterparty, or default or delinquency in interest or principal payments, or it becoming probable that the borrower will enter bankruptcy or financial rehabilitation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group’s past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed, does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities

Financial liabilities are carried at amortised cost.

The Group’s financial liabilities comprise borrowings and trade and other payables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently measured at amortised cost.

Classification as debt or equity

Debt and equity instruments are classified as either other financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

1.5 Income tax

Current taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of financial position.

Deferred taxation

Deferred tax is recognised on temporary differences between the carrying amounts and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill of from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associated, and interest in joint ventures except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reserve in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. Deferred tax for the period is to be recognised in profit and loss except to the extent that it relates to a transaction that is recognised directly in other comprehensive income or in equity, or a business combination that is an acquisition. The effect on deferred tax of any changes in the tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to other comprehensive income or to equity.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Tax expenses

Income tax expense recognised in profit or loss comprises the sum of deferred taxation and current taxation not recognised in other comprehensive income or directly in equity.

1.6 Impairment of assets

Impairment of non-financial assets
The Group evaluates the carrying value of assets with finite useful lives when events andcircumstances indicate that the carrying value may not be recoverable. Irrespective of whether there is indication of impairment, the Group tests goodwill acquired in business combinations for impairment annually. This impairment test is performed during the initial period and annually thereafter. Intangible assets not yet available for use are tested annually for impairment.

An impairment loss is recognised in profit or loss when the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of the fair value less cost to sell (fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date), or its value in use.

An impairment loss recognised for an asset, other than goodwill, in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised and the recoverable amount exceeds the carrying amount. The reversal of the impairment is limited to the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years. The reversal of such an impairment loss is recognised in profit or loss in the same line item as the original impairment charge.

1.7 Share capital and equity

Share capital represents the nominal value of shares that have been issued.

Any transaction cost associated with the issuing of shares is deducted from share capital net of any related income tax benefit.

Retained earnings include all current and prior period retained profits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.8 Intangible assets

An intangible asset is recognised when:
- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:
- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

1.8 Intangible assets (continued)

Subsequent to initial measurement, intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at the end of every period.

Reassessing the useful life of an intangible asset as finite after it was initially classified as indefinite as an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	**Useful life**
Rehabilitation and processing rights relates to the briquetting project	8 years
Intellectual property relates to the briquetting project	8 years
Computer software	3 years

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

1.10 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care) are recognised in the period in which the service is rendered and are not discounted. The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of no accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.11 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in loss or loss, using the effective interest rate method.

1.12 Earnings per share

The Group presents basic and diluted earnings per share ('EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

Headline earnings per share are presented in terms of JSE Limited listing requirements. Headline earnings as defined in Circular 2/2015 issued by South African Institute of Chartered Accountants, separates from earnings all separately identifiable re-measurements.

2. New Standards and Interpretations

At the date of approval of these audited consolidated financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the entity.

Management anticipates that all of the pronouncements will be adopted in the entity's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the entity's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the entity's audited consolidated financial statements.

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 10 Consolidated Financial Statements	01 January 2016	The impact of the standard is not material.
• IAS 27 Separate Financial Statements	01 January 2016	The impact of the amendment is not material.
• IAS 1 Presentation of Financial Statements	01 January 2016	The impact of the amendment is not material.
• Amendment to IAS 16: Property, Plant and Equipment: Annual improvements project	01 January 2016	The impact of the amendment is not material.
• Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	01 January 2016	The impact of the amendment is not material.

2. New Standards and Interpretations (continued)

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 March 2017 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 16 Leases	01 January 2019	Management is currently assessing the impact of the standard.
• IFRS 9 Financial Instruments	01 January 2018	Management is currently assessing the impact of the standard.
• Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)	01 July 2016	Management is currently assessing the impact of the standard.
• IAS 7 Cashflow	1 January 2017	Management is currently assessing the impact of the standard.
• IAS 12 Income Taxes	1 January 2017	Management is currently assessing the impact of the standard.
• IFRS 15 Revenue from Contracts with Customers	1 January 2018	Management is currently assessing the impact of the standard.

3. Property, plant and equipment

	2017 R'000			2016 R'000		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
IT equipment	13	(13)	-	90	(87)	3
Furniture and fixtures	183	(183)	-	219	(219)	-
Office equipment	41	(41)	-	62	(58)	4
Plant and machinery	-	-	-	310	(310)	-
Total	**237**	**(237)**	**-**	**681**	**(674)**	**7**

Reconciliation of property, plant and equipment - 2017

	Opening balance R'000	Depreciation R'000	Total R'000
IT equipment	3	(3)	-
Office equipment	4	(4)	-

Reconciliation of property, plant and equipment - 2016

	Opening balance R'000	Disposals	Depreciation R'000	Impairment loss	Total R'000
Briquetting plant	11 456	(1 080)	-	(10 376)	-
Furniture and fixtures	12	(9)	(3)	-	-
IT equipment	25	(14)	(8)	-	3
Motor vehicles	59	(47)	(12)	-	-
Office equipment	33	(27)	(2)	-	4
	11 585	**(1 177)**	**(25)**	**(10 376)**	**7**

During the prior period, the board took the decision to dispose or impair all assets no longer in use. Accordingly, assets were impaired to the recovered value, if any.

4. Intangible assets

	2017 R'000			2016 R'000		
	Cost	**Accumulated amortisation and impairment**	**Carrying value**	**Cost**	**Accumulated amortisation and impairment**	**Carrying value**
Rehabilitation and processing rights	47 959	(47 959)	-	47 959	(47 959)	-
Computer software	35	(35)	-	35	(35)	-
Intellectual property	2 000	(2 000)	-	2 000	(2 000)	-
Total	**49 994**	**(49 994)**	**-**	**49 994**	**(49 994)**	**-**

4. Intangible assets (continued)

Reconciliation of intangible assets - 2016

	Opening balance R'000	Impairment R'000	Total
Rehabilitation and processing rights	20 578	(20 578)	-
Intellectual property	804	(804)	-
	21 382	**(21 382)**	**-**

During the 2016 financial year, the operations were terminated and assets disposed of, with no prospects of recovery. Accordingly, it was required to fully impair intangible assets to zero in the prior year.

5. Other financial assets

At amortised cost		
Loan Iron Mineral Beneficiation Services Proprietary Limited	-	9 772

This loan was settled during the year. The funds received was utlised to settle a portion of the back to back loan from Stellar Capital.

Current assets		
At amortised cost	-	9 772

6. Deferred tax

Deferred tax asset

Tax losses available for set off against future taxable	-	9
Deferred tax asset	-	9

Reconciliation of deferred tax asset / (liability)

At beginning of year	9	(5 925)
Decrease in tax losses available for set off against future taxable income	(9)	(111)
Reversing temporary differences on intangible assets	-	5 989
Reversing temporary differences on tangible assets	-	56
	-	**9**

7. Trade and other receivables

Trade receivables	214	285
Deposits	68	67
	282	**352**

Fair value of trade receivables

Due to the short-term nature of trade receivables, the carrying amount approximates fair value.
There are no trade receivables past due and no impairment is required.

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	29	434

The carrying value of cash and cash equivalents is considered a reasonable approximation of fair value.

9. Share capital

Authorised

1 000 000 000 no par value ordinary shares	1 000	1 000

Reconciliation of number of shares issued:

Reported as at 1 March	863 043	833 624
Issue of shares – ordinary shares	-	29 419
	863 043	**863 043**

The unissued ordinary shares are under the control of the directors in terms of a resolution of shareholders of MRI passed at the last Annual General Meeting. This authority remains in force until the next Annual General Meeting. The MRI Group does not have any unlisted securities.

Issued

863 053 100 (2016: 863 053 100) no par value ordinary shares	85 020	83 024
10 714 285 shares at 7 cents each	-	750
10 714 285 shares at 7 cents each	-	750
8 000 000 shares at 6,2 cents each	-	496
	85 020	**85 020**

The Group does not hold any treasury shares.

10. Equity due to change in ownership

Octavovox Proprietary Limited

Purchase of additional 49% of Octavovox Proprietary Limited

The group purchased the remaining shares in Octavovox Proprietary Limited on 31 March 2015 for consideration of R1 500 000. This transaction was accounted for as an additional acquisition in terms of IFRS10. The consideration paid over the fair value of the assets have been recognised in equity. The Equity due to change in ownership amounts to R 2 459 296.

11. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2017

	Financial assets held at amortised cost R'000	Total R'000
Trade and other receivables	244	244
Cash and cash equivalents	29	29
	273	**273**

2016

	Financial assets held at amortised cost R'000	Total R'000
Other financial assets	9 772	9 772
Trade and other receivables	284	284
Cash and cash equivalents	434	434
	10 490	**10 490**

Unless otherwise disclosed, the directors consider that the carrying value of financial assets, recognised at amortised cost in the financial statements, approximates their fair values. The fair values of financial assets are presented in the related notes.

12. Other financial liabilities

At amortised cost

Growth Equities Proprietary Limited The loan is unsecured and bears interest at prime plus 8% per annum. The interest is capitilised monthly. This loan has been subordinated in favor of other creditors until such time as the company's assets, fairly valued exceeds it's liabilities.	3 160	-
T&T Marine The loan is unsecured, interest free and repayable on demand.	164	450
Stellar Capital Partners Limited The loan was settled during the year.	-	12 217
	3 324	**12 667**

Current liabilities

At amortised cost	3 324	12 667

13. Trade and other payables

Trade payables	858	591
Value added taxation	134	268
Directors fees due	247	247
Payroll accruals	11	68
	1 250	**1 174**

Fair value of trade and other payables

All amounts are short-term and the carrying value of trade and other payables is considered a reasonable approximation of fair value.

14. Financial liabilities by category

The accounting policies for financial liabilities have been applied to the line items below:

2017

	Financial liabilities at amortised cost R'000	Total R'000
Other financial liabilities	3 324	3 324
Trade and other payables	1 116	1 116
	4 440	**4 440**

2016

	Financial liabilities at amortised cost R'000	Total R'000
Other financial liabilities	12 667	12 667
Trade and other payables	906	906
	13 573	**13 573**

Unless otherwise disclosed, the directors consider that the carrying value of financial liabilities recognised at amortised cost in the financial statements approximates their fair values. The fair value of financial liabilities is presented in the related notes.

15. Operating loss

Operating loss for the year is stated after accounting for the following:

Operating lease charges

Premises		
• Contractual amounts	292	250
Equipment		
• Contractual amounts	-	7
	292	**257**

Loss on disposal of property, plant and equipment	-	449
Impairment of property, plant and equipment	-	10 376
Impairment of intangible assets	-	21 382
Depreciation of property, plant and equipment	7	25

16. Investment revenue

Interest revenue		
Other financial assets	567	244

17. Finance costs

Late payment of tax	21	-
Other financial liabilities	1 067	428
	1 088	**428**

18. Taxation

Deferred		
Unutilised tax losses carried forward	9	(5 836)

No taxation has been provided as the group has incurred losses.

19. Loss per share

Basic loss per share

Basic earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Basic loss per share		
From operations (cents)	(0.12)	(3.27)
Basic loss per share for the MRI Group was based on loss of	(1 037)	(28 003)
And weighted average number of ordinary shares ('000)	863 053	856 846

Diluted loss per share

Diluted basic loss per share		
From operations (cents)	(0.12)	(3.23)
Profit or loss for the period attributable to equity holders of the parent	(1 037)	(28 003)
Diluted weighted average number of shares in issue ('000)	863 053	866 846

The after tax effect of interest on profit or loss to calculate diluted loss per share has not been adjusted as it is insignificant.

Reconciliation of loss to headline loss attributable to equity holders of the parent:

Heading loss per share (cents)	(0.12)	(0.60)
Reconciliation between earnings (loss) and headline earnings		
Basic loss	(1 037)	(28 003)
Adjusted for:		
Impairment of property, plant and equipment	-	10 376
Impairment of intangible assets and goodwill	-	21 382
Deferred tax on property, plant and equipment impaired	-	(2 905)
Deferred tax on intangible assets impaired	-	(5 987)
Headline loss	(1 037)	(5 139)
Weighted average number of shares in issue ('000)	863 053	856 846
Headline loss per share (cents)	(0.12)	(0.60)
Diluted weigthed average number of shares in issue ('000)	863 053	866 846
Diluted headline loss per share (cents)	(0.12)	(0.59)

The weighted average number of share for the purpose of diluted loss per share reconciles to the weighted average number of shares used in the calculation of basic earnings per share as follows:

Weighted number of shares used in the calculation basic loss per share	863 053	856 846
Shares deemed to be issued in respect of share options	-	10 000
Weighted average number of shares used in the calculation of diluted loss per share	**863 053**	**866 846**

20. Cash generated from (used in) operations

Loss before taxation	(987)	(33 930)
Adjustments for:		
Depreciation and impairment	6	10 401
Loss on disposal of property, plant and equipment	-	449
Interest received	(567)	(244)
Finance costs	1 088	428
Amortisation and impairment	-	21 382
Other non-cash items	-	(98)
Changes in working capital:		
Trade and other receivables	70	998
Trade and other payables	77	(2 085)
Deferred income	-	(844)
	(313)	**(3 543)**

21. Segment information

No segment information is presented as the group did not conduct any operations during this financial year.

22. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year	241	245
- in second to fifth year inclusive	-	241
	241	**486**

The Group has currently one operating lease in place over its head office, this three-year rental agreement is subject to an annual escalation of 9% and expires on 30 November 2017.

23. Related party balances and related party transactions

The following related party transactions were entered into during the 2017 financial year:

Relationships	
Subsidiaries	Octavovox Proprietary Limited Western Utilities Corporation Proprietary Limited
Shareholder with significant influence	Armadale Capital Plc AfrAsia Special Opportunities Fund Proprietary Limited Trinity Asset Management Proprietary Limited
Entity owned by director	De Novo Business Services Proprietary Limited
Members of key management	There are no employees other than the directors
Prescribed officers	None

Related party transactions

Advisory services paid to related parties		
AfriAsia Corporate Finance Proprietary Limited	-	255

24. Directors' and prescribed officer's emoluments

Executive

2017

	Emoluments R'000	Total R'000
CH Gernandt	-	-
N Preston (Financial director)	300	300
RM Tait (Non-Executive Chairman)	-	-
	300	**300**

2016

	Emoluments R'000	Total R'000
CH Gernandt	227	227
N Preston (Financial director)	114	114
RM Tait (Non-Executive Chairman)	402	402
	743	**743**

Non-executive

2016

	Directors' fees R'000	Total R'000
L Albinski (Independent Non-executive Director)	-	-
QJ George (Independent Non-Executive Director)	50	50
SJM Caddy (Independent Non-Executive Director)	-	-
	50	**50**

Remuneration paid to all executive directors is based on their individual service contract with the Company. There were no other director’s benefits in the 2017 and 2016 financial year apart from executive salaries, non-executive fees to directors. No directors fees where paid to non-executive directors in 2017. There are no prescribed officers and no key management other than the directors.

25. Risk management

Financial risk management

The MRI Group is exposed to various risks in relation to financial instruments. The MRI Group's financial assets and financial liabilities by category are classified in the accounting policies for financial instruments. The main types of risk are credit risk and interest risk.

Liquidity risk

The MRI Group manages liquidity by constantly monitoring its future commitments.

The table below analyses the MRI Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 28 February 2017	Less than 1 year R'000
Other financial liabilities	3 324
Trade and other payables	1 250

At 29 February 2016	Less than 1 year R'000
Other financial liabilities	12 667
Trade and other payables	1 174

Liquidity risk management

Ultimate responsibility for liquidity risk management is with management, which has established an appropriate framework for the management of the MRI Group's requirements. The MRI Group manages liquidity risk by continuously monitoring forecasts and actual cash flows. The liquidity risk is fully discussed in Note 26 on Going Concern. Management persuaded an angel investor to further capitalise the business in the form of a loan to be converted into equity once the deal closes.

Interest rate risk

The group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk. During the year, the group's borrowings at variable rate were denominated in the Rand.

At 28 February 2017, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post tax loss for the year would have been R 22 748 (2016: R17 603) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

Credit risk

Credit risk is managed on a group basis. The MRI Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Deposits and cash balances are maintained by the Standard Bank of South Africa.

No trade and other receivables are past due date and no impairment losses were incurred.

25. Risk management (continued)

Capital management

The MRI Group's capital management objectives are to ensure the MRI Group's ability to continue as a going concern and to provide an adequate return to shareholders from the capital projects in acid mine drainage and coal briquetting. The MRI Group monitors capital through the optimization of the debt and equity balance. The capital structure of the MRI Group consists of limited borrowings and equity. The directors review capital structure on a regular basis. As part of these reviews the costs of capital and the risk associated with each class of capital is considered.

26. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited consolidated financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a position to continue as a going concern and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The company is in breach of the JSE regulations and of the Companies Act, for failure to produce annual financial statements of all companies within 6 months of year end, and to hold an annual general meeting.

The Gamsy Family Trust was identified as a potential investor in MRI, and post 28 February 2017, the Trust provided a working capital facility to fund operating and transaction costs. Both the Gamsy Family Trust and Growth Equities loans were subordinated to maintain the solvency of the company.

We draw attention to the fact that at 28 February 2017, the group had accumulated losses of R 91,7 million and that the company's total liabilities exceed its assets by R 4,2 million. There is still material uncertainty that the group can continue as a going concern as the group currently has no operations and is dependent on angel investor financing to settle it's creditors as they become due and payable in the ordinary cause of its business.

27. Subsidiaries

MRI holds 100% of the shares in WUC. WUC invested in the AMD project

WUC holds 50% of the total share capital of Prodiflex Coal which has access to and the right to distribute the binding material used in the production of briquettes. As the holding satisfies the following conditions of control, Prodiflex Coal is accounted for as a subsidiary

- Power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect the amount of the investor's returns.

The commercial arrangement is that the holding company makes all the financial and operating decisions.

WUC holds 100% of the total share capital of Octavovox which owns the rehabilitation and processing rights to process coal fines.

Partly-owned subsidiary

Prodiflex is immaterial in the operating activities of the Group.

28. Events after the reporting period

In November 2016, management arranged for Growth Equities to acquire Stellar Capital Partners Limited's equity stake and loan account, and to provide additional working capital to pay creditors. The company focused on consummating the IMBS transaction which had been contemplated a year earlier. In early 2017, management persauded an angel investor to further capitalise the business in the form of a loan to be converted into equity once the deal closes. Investors have subordinated their claims and provided support in order to maintain the company's solvence and going concern.

ANALYSIS OF SHAREHOLDERS

at 28 February 2017

1. Shareholders holding more than 5 % of the share capital

	No. of shares	% Holding
PSL Client Safe Custody Asset Account	277 384 665	32.14
Growth Equities (Pty) Ltd	162 912 103	18.88
Stellar Capital Partners Ltd	124 113 320	14.38
	564 410 088	65.40

2. Shareholder spread

	No. of shareholders	No. of shares	% Holding
Directors/Associates	4	5 252 000	0.61
Public	622	630 406 891	73.04
Non-Public	2	45 544	0.005
PSL Client Safe Custody Asset Account	1	227 348 665	26.34
	629	863 053 100	100

3. Categories of shareholders

Individuals	584	224 602 042	26.02
Nominees and trusts	14	29 841 391	3.46
Close corporations	4	969 500	0.11
Companies, financial institutions and other institutions	27	607 543 090	70.39
	629	863 053 100	100

4. Size of shareholding

0 – 1 000	72	40 574	0.005
1 001 – 5 000	68	200 339	0.02
5 001 – 100 000	245	9 900 109	1.15
100 001 – 1 000 000	182	61 795 538	7.16
1 000 001 and over	62	791 116 540	91.66
	629	863 053 100	100

NOTICE OF ANNUAL GENERAL MEETING

MINE RESTORATION INVESTMENTS LIMITED
(Registration Number 1987/004821/06)
("MRI" or "the Company" or "the Group")
Share code: MRI ISIN: ZAE000149951

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of the Company will be held in the boardroom of the Unit 21, Waterford Office Park, Waterford Drive, Fourways at 14:00 on 12 December 2017 ("the AGM"), to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out below.

Electronic Participation at the AGM

The Company will make provision for shareholders, or their proxies, to participate in the AGM by way of electronic communication. Should you wish to participate in the AGM by way of electronic communication, you will need to contact the Company at richard@minerestoration.co.za (contact person: Richard Tait) by 1 December 2017, so that the Company can provide for a teleconference dial-in facility. Please ensure that if you are participating in the AGM via a teleconference facility that the voting proxies are sent through to the company secretary, Neil Esterhuysen & Associates Incorporated.

The costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder

The board of directors of the Company has determined that the record date for the purpose of determining which shareholders of the Company are entitled to receive notice of this AGM is **Friday, 3 November 2017 2017** and the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the AGM is Friday, **1 December**. The last date to trade to qualify for the record date for purposes of participating in and voting at the AGM is Tuesday, **28 November 2017**.

Section 63(1) of the Companies Act requires that a person wishing to participate in the AGM (including any representative or proxy) must provide satisfactory identification (such as identity documents, driver's licenses or passports) before they may attend or participate at such AGM.

Voting thresholds

For the purpose of approving the ordinary resolutions, other than ordinary resolution number 5, the support of more than 50% of the voting rights exercised by shareholders present and in person, or represented by proxy, at the AGM is required.

For the purposes of approving the special resolutions, the support of at least 75% of the total number of votes, which the shareholders present or represented by proxy at the AGM are entitled to cast, is required.

BUSINESS OF THE MEETING

Report from the Social and Ethics Committee:

In accordance with Regulation 43(5)(c) of the Companies Act, the chairman of the Social and Ethics Committee, or in his absence, any member of that Committee, will present the Committee's report to the shareholders at the AGM.

Presentation of the Annual Financial Statements:

The consolidated audited financial statements of the Company (as approved by the board of directors of the Company), incorporating the reports of the external auditors', the audit and risk committee and the directors for the years ended February 2016 and 2017, have been distributed and accompany this notice as required and are accordingly presented to shareholders.

NOTICE OF ANNUAL GENERAL MEETING

The complete annual financial statements are set out on pages 12 to 38 and 13 to 37 of the Annual Report of 2016 and 2017 respectively which this notice forms part; copies of the Annual Report having been distributed to all shareholders who have requested copies thereof. The Integrated Report is also available on the company's website: www.minerestoration.co.za.

Any matters raised by shareholders, with or without advance notice to the Company:

As per Section 61(8)(d) of the Companies Act, any matters raised by shareholders, with or without advance notice to the Company must be considered.

Ordinary resolution number 1 – re-election of directors:

Quinton George, Chris Roed and Syd Caddy retire by rotation in terms of the Company's Memorandum of Incorporation ("MOI"), and being eligible, offer themselves for re-election as directors of the Company. Accordingly, shareholders are required to consider and, if deemed fit, approve the separate ordinary resolutions set out below:

Ordinary resolution number 1.1:

"**RESOLVED** that the re-election of Quinton George as an independent non-executive director of the Company be and is hereby approved."

Quinton is a registered financial advisor with the Securities Institute of London and the Financial Services Board in South Africa. He has successfully achieved certificates in Investment Advice and Investment General Exams of the Institute of Stockbrokers.

He began his career in the financial services industry when he joined Peter George Portfolios (Pty) Ltd, members of the South African Bond Market Association. Thereafter, Quinton joined a South African Corporate member of the Johannesburg Stock Exchange (JSE). Here he worked as portfolio manager and developed a substantial private client base. Later, he joined DC Palmer Securities and initiated their online stock broking. He played a significant role in building the online business of the company.

Ordinary resolution number 1.2:

"**RESOLVED** that the re-election of Chris Roed as an independent non-executive director of the Company be and is hereby approved."

Chris is a water/civil engineer with more than 20 years of experience and specialises in water and wastewater engineering, as well as conventional civil engineering. Chris holds a BSc (Civ) Eng degree and a post graduate diploma on Engineering from the University of Cape Town, a post graduate diploma in Sanitary Engineering from the IHE in The Netherlands and has completed Advanced Wastewater Treatment studies at the University of Cape Town. Chris is also a registered professional engineer with the Engineering Council of South Africa.

Ordinary resolution number 1.3:

"**RESOLVED** that the re-election of Syd Caddy as an independent non-executive director of the Company be and is hereby approved."

Syd has more than 40 years' of South African gold, uranium and base metal experience in both shallow and ultra-deep level mining environments. He has carried the General Manager appointments for the Black Mountain, Kloof and West Driefontein mines and has also been appointed to various positions within JCI Limited, First Uranium Corporation and Gold One International Limited, including those of Consulting Engineer, Chief Operating Officer and Managing Director.

Ordinary resolution number 2 – ratification of director's appointment:

Ordinary resolution number 2.1:

"**RESOLVED** that the appointment of Mike Miller as an executive director of the Company with effect from 26 April 2017 be and is hereby ratified."

Mike obtained a Master's Degree in Finance from the University of Cape Town and qualified as a chartered accountant with Deloitte and worked in strategy management for Dimension Data. In parallel with doing various corporate finance work, Mike has spent the last 5 years immersing himself in various Limpopo communities and traditional leadership structures in order to fully understand the intricate workings of the rural economics and dynamics.

Ordinary resolution number 2.2:

"**RESOLVED** that the appointment of A Collins as an independent non-executive director of the Company with effect from 7 September 2017 be and is hereby ratified."

Alistair is an experienced commercial lawyer specialising for the past 20 years in banking and finance, restructuring and insolvency law. Alistair is a South African qualified attorney and English qualified solicitor. He has advised on acquisition, leveraged, trade and commodity, asset backed, securitisation, capital markets and structured finance transactions in London at Kennedys LLP, Bank of Scotland plc and the Lloyds Banking Group and in South Africa as a partner at Bowman Gilfillan and as a senior lawyer at Allen & Overy (Johannesburg). Clients have been South African, European, Asian and U.S. banks and financial institutions as well as obligors. Has focussed on transactional work and assisting clients with structuring advice, document drafting and transaction closures.

Ordinary resolution number 3 – re-appointment of auditors:

"**RESOLVED** that the re-appointment of Grant Thornton, Registered Auditors, upon the recommendation of the current Audit and Risk Committee, as independent auditors of the Company, with Grant Thornton as the designated auditor, be and is hereby approved."

Ordinary resolution number 4 – re-appointment of members of the Audit and Risk Committee for the year ending 28 February 2017:

Shareholders are required to consider and, if deemed fit, approve the separate ordinary resolutions set out below:

Ordinary resolution number 4.1:

"**RESOLVED** that the appointment of Chris Roed as a member and Chairman of the Audit and Risk Committee until the conclusion of the next annual general meeting of the Company, (subject to his re-election as a director pursuant to ordinary resolution number 1.2), be and is hereby approved."

Ordinary resolution number 4.2:

"**RESOLVED** that the appointment of Syd Caddy as a member of the Audit and Risk Committee until the conclusion of the next annual general meeting of the Company, (subject to his re-election as a director pursuant to ordinary resolution number 1.3), be and is hereby approved."

Ordinary resolution number 4.3:

"**RESOLVED** that the appointment of Quinton George as a member of the Audit and Risk Committee until the conclusion of the next annual general meeting of the Company, (subject to his re-election as a director pursuant to ordinary resolution number 1.1), be and is hereby approved."

Ordinary resolution number 5 – authority to issue shares for cash:

"**RESOLVED** that the board of directors of the Company be and they are hereby authorised by way of a general authority, to issue all or any of the authorised but unissued equity securities in the capital of the Company for cash, as and when they, in their discretion, deem fit, subject to the Companies Act, the MOI and the JSE Limited Listings Requirements ("JSE Listings Requirements"), when applicable and which authority will be valid until the Company's next annual general meeting or for 15 months from the date on which this resolution is passed, and subject to the following:

- the equity securities which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue;
- the allotment and issue of equity securities must be made to persons qualifying as public shareholders and not to related parties, as defined in the JSE Listings Requirements;
- the aggregate number of equity securities which may be issued for cash in terms of this authority may not exceed 431,522 million equity securities, being 50% of the Company's listed equity securities of 863,043 million as at the date of notice of this AGM, provided that;
  - any equity securities issued under this authority during the period contemplated herein must be deducted from such number; and
  - in the event of a sub-division or consolidation of issued equity securities during the period contemplated prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio;
- the maximum discount at which the equity securities may be issued is 10% of the weighted average traded price on the JSE of such equity securities over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities;
- after the Company has issued equity securities for cash in terms of an approved general issue for cash representing, on a cumulative basis within the period contemplated, 5% or more of the number of securities in issue prior to that issue, the Company shall publish an announcement containing full details of the issue, including the number of securities issued, the average discount to the weighted average trade price of the securities over the 30 business days prior to the date that the issue is agreed in writing and an explanation, including supporting documentation (if any), of the intended use of the funds."

Voting requirement in terms of the JSE Listings Requirements:

In terms of the Listings Requirements, the minimum percentage of voting rights required for ordinary resolution number 5 to be adopted is more than 75% of the voting rights exercised by shareholders present or represented by proxy at the AGM.

Ordinary resolution number 6:non-binding advisory votes:

Ordinary resolution number 6.1: Approval of the Company's remuneration policy

"**RESOLVED** that the Company's Remuneration Policy, as set out in the Remuneration Committee Report contained in the 2017 Annual Report, be and is hereby endorsed by way of a non-binding advisory vote."

Ordinary resolution number 6.2: Approval of the Company's remuneration implementation report

"**RESOLVED** that the Company's Implementation Report in regard to its Remuneration Policy, as contained in the 2017 Annual Report, be and is hereby endorsed by way of a non-binding advisory vote."

Special resolution number 1 – general authority for the Company to purchase its own securities:

"**RESOLVED** as a special resolution, that the directors of the Company be and are hereby authorised by way of a renewable general mandate which shall be valid until the earlier of the next annual general meeting of the Company or 15 months from the date of passing of this resolution, for purposes of section 48 of the Companies Act, to approve the purchase by the Company of its own securities, and/or to approve the purchase by any of the Company's subsidiaries of the securities in the Company, from any person on such terms and conditions and in such numbers as the directors of the Company or subsidiary may from time to time determine, subject to the applicable requirements of the MOI, the Companies Act and/or the JSE Listings Requirements, subject to the following:

- the repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter party (reported trades are prohibited);
- repurchases may not be made at a price greater than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected;
- at any point in time, the Company may only appoint one agent to effect any repurchase on the Company's behalf;
- the board of directors authorises the repurchase and that it has resolved that the company has satisfied the solvency and liquidity test as defined in the Companies Act and that from the time that the test is applied, there have been no material changes to the financial position of the group;
- repurchases shall not, in the aggregate in any one financial year exceed 20% of the Company's issued share capital of that class;
- neither the Company nor its subsidiaries may repurchase securities during a prohibited period, as defined in the JSE Listings Requirements, unless a repurchase programme is in place in terms of which the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of which programme have been submitted to the JSE in writing prior to the commencement of the prohibited period. The Company will be required to instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- an announcement, containing the information required by the JSE Listings Requirements, will be published on SENS as soon as the Company or any of its subsidiary companies have acquired securities constituting, on a cumulative basis, 3% of the number of securities in issue and for each 3% in aggregate of the initial number acquired thereafter.

This authority will only be utilised to the extent that the directors, after considering the maximum effect of such repurchase, for a period of at least 12 months after the date of notice of the AGM are of the opinion that:

- the Company and the group will be able to repay their debts in the ordinary course of business;
- the assets of the Company and the group, fairly valued according to International Financial Reporting Standards and on a basis consistent with the last financial year of the company, exceed its liabilities;
- the Company and the group have adequate share capital and reserves for ordinary business purposes;
- the Company and the group have sufficient working capital for ordinary business businesses."

Additional disclosure requirements in respect of special resolution number 1 in terms of the JSE Listings Requirements:

Material changes:

Other than what has been noted in the various SENS announcements, no additional material changes have occurred since the end of the last financial period, being 28 February 2017, and the date of this notice of AGM.

Other disclosures in terms of the JSE Listings Requirements are contained in the Annual Report as follows:

- Major shareholders Page 44
- Share capital of the Company Page 16
- Directors' responsibility statement Page 11

Special resolution number 2 – approval of non-executive directors' fees:

"**RESOLVED** as a special resolution, that:
- the Company be and is hereby authorised to pay remuneration to its directors for their services as directors, as contemplated in section 66(8) and 66(9) of the Companies Act; and
- the remuneration structure and amounts as set out below, be and are hereby approved until such time as rescinded or amended by shareholders by way of a special resolution:

Proposed fee for meetings:	2017 / 2018
Board members	
Chairman	R10,000
Member	R10,000
Combined Audit and Risk Committee	
Chairman	R10,000
Member	R10,000
Combined Remuneration and Nomination Committee	
Chairman	R10,000
Member	R10,000
Combined Social and Ethics Committee	
Chairman	R10,000
Member	R10,000

Special resolution number 3 – financial assistance for subscription of securities:

"**RESOLVED** as a special resolution that, as a general approval, subject to the Company's MOI and in terms of section 44 of the Companies Act, the shareholders of the Company hereby approve of the Company providing financial assistance by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or the subscription any securities issued or to be issued, or for the purchase of any securities by the Company or a related or inter-related company, provided that:
- the particular provision of financial assistance is pursuant to an employee share scheme that satisfies the requirements of section 97 of the Companies Act or pursuant to a special resolution of the shareholders adopted within the previous 2 years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients; and
- the board is satisfied that immediately after providing such financial assistance, the Company would satisfy the solvency and liquidity test and the terms under which the financial assistance is proposed are fair and reasonable to the Company."

Special resolution number 4 – authority to provide financial assistance to any company or corporation which is related or inter-related to the Company:

"**RESOLVED** as a special resolution that, as a general approval, subject to the Company's MOI and in terms of section 45(3)(a)(ii) of the Companies Act, the Company may provide any direct or indirect financial assistance ("financial assistance" will have the meaning attributed to it in section 45(1) of the Companies Act) to any related or inter-related company or to any juristic person who is a member of or related to any such company/ies ("related" and "inter-related" will have the mean attributed thereto in section 2 of the Companies Act), subject to compliance with the remainder of section 45 of the Companies Act, as the board of directors of the Company may deem fit and on the terms and conditions, to the recipient/s, in the form, nature and extent and for the amounts that the board of directors of the Company, may determine from time to time."

To transact such other business as may be required at an annual general meeting.

Voting and proxies:

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend and vote at the AGM, are entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a shareholder and shall be entitled to vote on a show of hands or poll. It is requested that forms of proxy be submitted so as to reach the Transfer Secretaries no later than 14:00 on Friday, 24 November 2017 ("Relevant Time"). If Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend and vote at the AGM do not deliver forms of proxy to the Transfer Secretaries by the Relevant Time, such shareholders will nevertheless at any time prior to the commencement of the voting on the resolutions at the AGM be entitled to lodge the form of proxy in respect of the AGM with the chairperson of the AGM. Forms of proxy must only be completed by shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration.

On a show of hands, every shareholder present in person or represented by proxy and entitled to vote shall have only one vote irrespective of the number of shares such member holds. On a poll, every shareholder present in person or represented by proxy and entitled to vote shall be entitled to one vote for every share held or represented by that shareholder. On a poll taken at any such meeting a shareholder entitled to more than one vote need not, if he votes, use all of his votes, or cast all the votes he uses in the same way.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with own-name registration, should contact their CSDP or Broker in the manner and by the time stipulated in the agreement entered into between them and their CSDP or Broker:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the AGM, to obtain the necessary Letter of Representation to do so.

Alternatively, should they not wish to attend the meeting, they should provide their CSDP/ broker with their voting instruction.

By order of the board

Neil Esterhuysen & Associates Inc.
Company Secretary

Centurion
26 October 2017

Registered office
The Zone Business Lofts West
31 Tyrwhitt Avenue
The Zone
Rosebank
2196

Transfer Secretaries
Computershare Investor Services Proprietary Limited
2nd Floor, Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

EXPLANATORY NOTES TO THE ANNUAL GENERAL MEETING

Ordinary resolutions numbers 1 and 2 – rotation / appointment of directors

In accordance with the Company's MOI, one-third of the non-executive directors are required to retire at each annual general meeting and may offer themselves for re-election. In addition, the appointment of a new director since the date of the previous annual general meeting must be ratified at the next annual general meeting.

Ordinary resolution number 3 – re-appointment of auditors

Grant Thornton have confirmed that they are willing to continue in office and this resolution proposes the re-appointment of that firm as the Company's auditors for the ensuing year. Section 90(3) of the Companies Act requires the designated auditor to meet the criteria set out in section 90(2) thereof. The Board is satisfied that both Jacques Barradas and the designated auditor meet all relevant criteria and, on the recommendation of the Audit and Risk Committee, proposed that Grant Thornton be re-appointed.

Ordinary resolution number 4 – appointments to the Audit and Risk Committee

At each annual general meeting, a public company must, in terms of section 94(2) of the Companies Act, elect an audit committee comprising at least 3 members who are non-executive directors and who meet the criteria set out in section 94(4) of the Companies Act. Regulation 42 to the Companies Act specifies that one-third of the members of the audit committee must have appropriate academic qualifications or experience in the areas as set out in that Regulation. The King IV Code, however, recommends that appointees to an audit committee should be independent non-executive directors and accordingly the directors proposed for appointment to the Audit and Risk Committee are all independent non-executive directors.

Ordinary resolution number 5 – general authority to issue shares for cash

In terms of the Companies Act, directors are authorised to allot and issue the unissued shares of the Company unless otherwise provided in the Company's MOI or in the instances as set out in section 41 of the Companies Act. The JSE has certain requirements relating to the issue of shares for cash and these are set out in this resolution.

In terms of the JSE Listings Requirements, this resolution requires the approval of a 75% majority of the votes cast by shareholders present or represented by proxy at the Annual General Meeting in order to become effective.

Ordinary resolution number 6 – endorsement of the Company's remuneration policy and implementation report

King IV recommends that every year the Company's remuneration be disclosed in three parts, namely:
- a background statement;
- an overview of the remuneration policy; and
- an implementation report,

and that shareholders be requested to pass separate non-binding advisory votes on the policy and the implementation report at the AGM.
Voting on the above two resolutions enables shareholders to express their views on the Remuneration Policy adopted and on its implementation.

The Remuneration Committee prepared and the board considered and accepted the Remuneration Policy and Implementation Report thereon, as set out in the 2017 Integrated Report.

The Remuneration Policy also records the measures the Board will adopt in the event that either the Remuneration Policy or the Implementation Report, or both, are voted against by 25% or more of the voting rights exercised by shareholders. In such event, the Company will, in its announcement of the results of the AGM, provide dissenting shareholders with information as to how to engage with the Company in regard to this matter and the timing of such engagement.

Special resolution number 1 – general authority to repurchase shares

Section 48 of the Companies Act authorises the board to approve the acquisition of the Company's own shares subject to the provisions of sections 46 and 48 of the Companies Act being met. The JSE has certain requirements relating to such repurchases and these are set out in this resolution. At this stage, the directors do not have any specific intentions to utilise this general authority.

Special resolution number 2 – directors' remuneration

Section 66(8) of the Companies Act states that a Company may pay remuneration to its directors for their services as directors, unless otherwise provided in the Company's MOI, and on approval by shareholders by way of a special resolution. Executive directors are not specifically remunerated for their services as directors but are remunerated as employees of the Company and accordingly the resolution sets out the remuneration to be paid to non-executive directors.

Special resolution number 3 – financial assistance for the subscription of securities

Section 44 of the Companies Act requires that shareholders approve the provision of financial assistance to any person for the purpose of, or in connection with, the subscription for any option or securities issued or to be issued by the Company or a related or inter-related company.

Special resolution number 4 – financial assistance to related and/or inter-related companies

Section 45(2) of the Companies Act authorises the board to provide direct or indirect financial assistance to a related or inter-related company, subject to subsections 3 and 4 of section 45 of the Companies Act unless otherwise provided for in the Company's MOI. The main purpose of this resolution is to approve the granting of inter-company loans as well as granting letters of support and guarantees to subsidiaries in appropriate circumstances and avoids the necessity of referring individual instances to shareholders for approval.

FORM OF PROXY

MINE RESTORATION INVESTMENTS LIMITED
Incorporated in the Republic of South Africa
(Registration number 1987/004821/06)
JSE code: MRI
ISIN: ZAE000149951
("MRI" or "the Company")

FORM OF PROXY

To be completed by registered certificated shareholders and dematerialised shareholders with own-name registration only

For use in respect of the Annual General Meeting to be held at Unit 21, Waterford Office Park, Waterford Drive, Fourways at 14:00 on 12 December 2017

Shareholders who have dematerialised their shares with a CSDP or Broker, other than with own-name registration, must arrange with the CSDP or Broker concerned to provide them with the necessary Letter of Representation to attend the Annual General Meeting or the shareholders concerned must instruct their CSDP or Broker as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the shareholder and the CSDP or Broker concerned.

I/We (full name in block letters)

____

of (address)____

Telephone (work) …………… (home)………………… Mobile ……………………………………………..

Email address: …………………………………………………………………….

____

being the holder(s) of ………….. ordinary shares in the Company, appoint (see note 1):

1. ………………………………………………………………………………………………..or failing him,

2. ………………………………………………………………………………………………..or failing him,

3. the chairman of the Annual General Meeting,

as my/our proxy to act on my/our behalf at the Annual General Meeting which is to be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat and at any adjournment thereof and to vote for or against the ordinary and special resolutions or to abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions (see note 2):

FORM OF PROXY continued

	Number of votes (one vote per ordinary share)		
	For	Against	Abstain
Ordinary resolution number 1.1 - Re-election of Quinton George as an independent non-executive director			
Ordinary resolution number 1.2 - Re-election of Chris Roed as an independent non-executive director			
Ordinary resolution number 1.3 - Re-election of Syd Caddy as an independent non-executive director			
Ordinary resolution number 2.1 - Ratification of the appointment of Mike Miller as an executive director			
Ordinary resolution number 2.2 - Ratification of the appointment of Alistair Collins as an independent non-executive director			
Ordinary resolution number 3 - Re-appointment of Grant Thornton as the Company's auditors and Jacques Barradas as the designated auditor			
Ordinary resolution number 4.1 - Appointment of Chris Roed as a member and chairman of the Audit and Risk Committee			
Ordinary resolution number 4.2 - Appointment of Syd Caddy as a member of the Audit and Risk Committee			
Ordinary resolution number 4.3 - Appointment of Quinton George as a member of the Audit and Risk Committee			
Ordinary resolution number 5 - General authority to issue shares for cash			
Ordinary resolution number 6.1 - Non-binding advisory endorsement of the Company's remuneration policy			
Ordinary resolution number 6.2 – Non-binding advisory endorsement of the Company's remuneration implementation report			
Special resolution number 1 - General authority for the Company to purchase its own securities			
Special resolution number 2 - Approval of non-executive directors' fees			
Special resolution number 3 - General authority to provide financial assistance for subscription of securities			
Special resolution number 4 - General authority to provide financial assistance to related and inter-related companies			

(Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable).

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak, and on a poll, vote in place of that shareholder at the Annual General Meeting.

Signed at ……………………………………………… On ………………………………………2017

Signature(s): ……………………………………………………………………………………………

Capacity: ………………………………………………………………………………………………..

Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY

1. A member may insert the name of a proxy or the names of two alternate proxies of the member's choice in the space(s) provided, with or without deleting "the chairman of the general meeting". The person whose name stands first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A member should insert an "X" in the relevant space according to how he wishes his votes to be cast. However, if a member wishes to cast a vote in respect of a lesser number of ordinary shares than he owns in the Company, he should insert the number of ordinary shares held in respect of which he wishes to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting as he deems fit in respect of all of the member's votes exercisable at the Annual General Meeting. A member is not obliged to exercise all of his votes, but the total of the votes cast and abstentions recorded may not exceed the total number of the votes exercisable by the member.
3. The completion and lodging of this form of proxy will not preclude the relevant member from attending the Annual General Meeting and speaking and voting in person to the exclusion of any proxy appointed in terms hereof, should such member wish to so do.
4. The chairman of the Annual General Meeting may reject or accept any form of proxy, which is completed and/or received, other than in compliance with these notes.
5. Members, who have dematerialised their shares with a CSDP or Broker, other than with own-name registration, must arrange with the CSDP or Broker concerned to provide them with the necessary Letter of Representation to attend the Annual General Meeting or the members concerned must instruct their CSDP or Broker as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the member and the CSDP or Broker concerned.
6. Any alteration to this form of proxy, other than the deletion of alternatives, must be signed, not initialled, by the signatory/ies.
7. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. on behalf of a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by the company or waived by the chairman of the Annual General Meeting.
8. A minor must be assisted by his/her parent or guardian, unless the relevant documents establishing his/her capacity are produced or have been recorded by the Company.
9. Where there are joint holders of shares:
   - any one holder may sign the form of proxy; and
   - the vote of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the Company's register of members, will be accepted.
10. To be valid, the completed forms of proxy must either (a) be lodged so as to reach the Transfer Secretaries by no later than the Relevant Time; or (b) be lodged with the chairperson of the Annual General Meeting prior to the Annual General Meeting so as to reach him by no later than immediately prior to the commencement of voting on the resolutions to be tabled at the Annual General Meeting.
11. The proxy appointment is revocable by the shareholders giving written notice of the cancellation to the Company prior to the Annual General Meeting or any adjournment thereof. The revocation of the proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholders as of the later of: (i) the date stated in the written notice, if any; or (ii) the date on which the written notice was delivered as aforesaid.
12. If the instrument appointing a proxy or proxies has been delivered to the Company, any notice that is required by the Companies Act or the MOI to be delivered by the Company to shareholders must (as long as the proxy appointment remains in effect) be delivered by the Company to: (i) the shareholder; or (ii) the proxy or proxies of the shareholder has directed the Company to do so, in writing and pay it any reasonable fee charged by the Company for doing so.

SUMMARY OF THE RIGHTS ESTABLISHED IN TERMS OF SECTION 58 OF THE COMPANIES ACT

Summary of the rights established in terms of section 58 of the Companies Act

For purposes of this summary, "shareholder" shall have the meaning ascribed thereto in the Companies Act.

1. At any time, a shareholder of a company is entitled to appoint an individual, including an individual who is not a shareholder of that company, as a proxy, to participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder, or give or withhold written consent on behalf of such shareholder in relation to a decision contemplated in section 60 of the Companies Act.

2. A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for one year after the date upon which the proxy was signed, or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act or expires earlier as contemplated in section 58(8)(d) of the Companies Act.

3. Except to the extent that the MOI of a company provides otherwise:

3.1. a shareholder of the relevant company 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 such shareholder;
3.2. a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
3.3. a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders meeting.

4. Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.

5. Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the company.

6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.

7. If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's MOI to be delivered by such company to the shareholder, must be delivered by such company to the shareholder, or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the company for doing so.

8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI, or the instrument appointing the proxy provide otherwise.

SUMMARY OF THE RIGHTS ESTABLISHED IN TERMS OF SECTION 58 OF THE COMPANIES ACT continued

9. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:

9.1. such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;

9.2. the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;

9.3. the company must not require that the proxy appointment be made irrevocable; and

9.4. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

NOTES

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