



ASX Code: ZYL



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Company Announcement Office
Australian Securities Exchange
Level 4, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Full Terms & Conditions of NewCo A Deferred Ordinary Shares

Rights and privileges attaching to, and terms and conditions of, the Newco "A" Deferred Ordinary Shares

1. Interpretation

In this Article, unless otherwise stated or unless the context indicates otherwise, the following words and expressions will bear the meanings assigned to them:

- 1.1 "2008 Act" - means the Companies Act, 71 of 2008, as amended or substituted from time to time;
- 1.2 "2008 Act Effective Date"- means the date on which the 2008 Act comes into operation;
- 1.3 "this Article" - means this Article 33;
- 1.4 the "Company" - means Main Street 800 (Proprietary) Limited, registration number 2010/005759/07, a private company incorporated in accordance with the laws of the Republic of South Africa;
- 1.5 "Conversion Date" - means the earlier of the:
 - 1.5.1 date of payment by the Company of a dividend to all holders of Ordinary Shares in an amount which is equal to, in aggregate, after the inclusion of any and all Taxes payable by the

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Company in respect of the declaration of such a dividend, not more than R60 500 000 and in terms of clause 14.4 of the Newco Shareholders' Agreement; or

1.5.2 date on which Newco "A" Deferred Ordinary Shares are acquired by Siyanda Resources and/or Double Ring in terms of clause 22 of the Newco Shareholders Agreement;

1.6 **"Conversion Ratio"** - means the rate at which the Newco "A" Deferred Ordinary Shares will convert, on the Conversion Date, to Ordinary Shares, being 1 Ordinary Share for each Deferred Ordinary Share;

1.7 **"Double Ring"** - means Double Ring Mineral Resources (Proprietary) Limited, registration number 2005/033476/07, a private company incorporated in accordance with the laws of the Republic of South Africa;

1.8 **"Holder"** - means a holder of a Newco "A" Deferred Ordinary Share in the issued share capital of the Company, from time to time;

1.9 **"Newco "A" Deferred Ordinary Shares"** - means 30 000 Newco "A" deferred ordinary shares with a par value of R0.01 each in the share capital of the Company, having the rights, terms and privileges and being subject to the conditions set out in this Article 33, and which shall, after the 2008 Act Effective Date, constitute a separate class of shares with rights and privileges and subject to the terms and conditions equivalent to those attaching to such deferred

ordinary shares immediately prior to the 2008 Act Effective Date;

1.10 **"Newco "A" Preference Shares"**

- means 1 000 "A" cumulative, redeemable preference shares of par value R0.01 each in the share capital of the Company, bearing the rights and privileges set out in Article 34, and which shall, after the 2008 Act Effective Date, constitute a separate class of shares with rights and privileges and subject to the terms and conditions equivalent to those attaching to such preference shares immediately prior to the 2008 Act Effective Date;

1.11 **"Newco "B" Preference Shares"**

- means 7 500 "B" convertible redeemable preference shares with a par value of R0.01 each in the share capital of the Company, having the rights, terms and privileges and being subject to the conditions set out in Article 35, and which shall, after the 2008 Act Effective Date, constitute a separate class of shares with rights and privileges and subject to the terms and conditions equivalent to those attaching to such preference

shares immediately prior to the 2008 Act Effective Date;

- 1.12 **"Newco "C" Preference Shares"** - means 10 000 "C" cumulative, redeemable preference shares of par value R0.01 each in the issued share capital of the Company, bearing the rights and restrictions set out in Article 36, and which shall, after the 2008 Act Effective Date, constitute a separate class of shares with rights and privileges and subject to the terms and conditions equivalent to those attaching to such preference shares immediately prior to the 2008 Act Effective Date;
- 1.13 **"Ordinary Share"** - means an ordinary share in the issued share capital of the Company, which shall, after the 2008 Act Effective Date, constitute a separate class of shares with rights and privileges equivalent to those attaching to such Ordinary Shares immediately prior to the 2008 Act Effective Date;
- 1.14 **"Siyanda Resources"** - means Siyanda Resources (Proprietary) Limited, registration number 2005/006343/07, a private company incorporated in accordance with the laws of the Republic of South Africa.; and
- 1.15 **"Taxes"** - means all present and future taxes and other changes of any kind or nature whatsoever imposed, levied, collected, withheld or assessed by any competent authority, and includes all income tax (whether based on or measured by income/revenue or profit of any nature or kind or otherwise and

whether levied under the Income Tax Act, 58 of 1962 or otherwise), capital gains tax, secondary tax on companies, dividends tax, value extraction tax, and all charges in the nature of taxation, and all interest, penalties, fines and other payments on, or in respect thereof.

2. Terms and conditions of the Newco Deferred "A" Ordinary Shares

Notwithstanding anything to the contrary in these Articles, the Newco "A" Deferred Ordinary Shares shall rank *pari passu* with the Ordinary Shares save that:

- 2.1 the Holders of Newco "A" Deferred Ordinary Shares shall not participate in any dividends or other distributions declared or paid by the Company to its shareholders;
- 2.2 the rights, privileges, terms and/or conditions attaching to the Newco "A" Deferred Ordinary Shares shall not be amended without the prior written consent of the holders of not less than 55% of the Ordinary Shares, and 75% of the holders of the Newco "A" Deferred Ordinary Shares;
- 2.3 on the Conversion Date, the Newco "A" Deferred Ordinary Shares shall automatically convert, at the Conversion Ratio, into Ordinary Shares.

Yours faithfully,



Nicholas Ong
Company Secretary
ZYL Limited