

**STRATCORP**  
L I M I T E D



(Registration number: 2000/031842/06)  
(Incorporated in the Republic of South Africa)  
JSE Code: STA • ISIN: ZAE 000 034 294  
("StratCorp" or "the Company")

*UNAUDITED CONDENSED  
CONSOLIDATED INTERIM  
FINANCIAL RESULTS  
for the 6 months ended 31 August 2011*

**2011**

# TABLE OF CONTENTS

CORPORATE INFORMATION	2
STATEMENT OF COMPREHENSIVE INCOME	3
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF CHANGES IN EQUITY	6
STATEMENT OF CASH FLOWS	6
CONDENSED SEGMENT REPORT	7
NATURE OF BUSINESS / OVERVIEW	8
NOTICE OF GENERAL MEETING	12
ACTION REQUIRED BY SHAREHOLDERS	14

## CORPORATE INFORMATION

### **COUNTRY OF INCORPORATION**

South Africa

### **DIRECTORS**

PJ de Jongh (Chairman of the Board)\*  
DB Harington (Chief Executive Officer)  
JHP Engelbrecht (Group Financial Director)  
IM Wright (Chief Information Officer)  
MM Patel (Chairman of Audit Committee)+  
SR Firer+

TG Ratau\*

\* Non-Executive Director

+ Independent Non-Executive Director

### **COMPANY SECRETARY**

JPJ Louw

The Report is available on request and will also be published on the Company's website ([www.StratCorp.co.za](http://www.StratCorp.co.za)).

### **COMPANY REGISTRATION NUMBER**

2000/031842/06

### **REGISTERED ADDRESS**

3<sup>rd</sup> Floor Lakeside Building A  
2004 Gordon Hood Drive  
Centurion  
0157

### **POSTAL ADDRESS**

PO Box 12022  
Centurion 0046

### **AUDITORS**

SAB&T Chartered Accountants Incorporated  
Registration number 1997/018869/21

### **TRANSFER SECRETARIES**

Computershare Investor Services (Proprietary) Limited

### **DESIGNATED ADVISER**

Vunani Corporate Finance

# Statement of Comprehensive Income

<i>Figures in ZAR thousand</i>	<i>Six months ended 31 August 2011 (unaudited)</i>	<i>Six months ended 31 August 2010 (reviewed)</i>	<i>Year ended 28 February 2011 (audited)</i>
<b>Continuing operations</b>			
Revenue*	31 342	*38 048	*81 565
<b>Profit from operations before:*</b>	<b>14</b>	*712	*572
Reversal of impairment of loans receivable	-	378	378
Income from equity accounted investments	1 003	244	817
Fair value adjustments	-	(3)	(4)
<b>Profit before finance charges</b>	<b>1 017</b>	1 331	1 763
Net finance cost*	(1 669)	*(1 528)	*(3 163)
<b>Loss before taxation</b>	<b>(652)</b>	(197)	(1 400)
Taxation	184	(395)	148
<b>Net loss for the period from continuing operations</b>	<b>(468)</b>	(592)	(1 252)
<b>Discontinued operations</b>			
Loss from discontinued operations	(89)	(381)	(236)
<b>Loss for the period</b>	<b>(557)</b>	(973)	(1 488)
<b>Other comprehensive income:</b>			
Exchange differences on translating foreign operations	88	(119)	(15)
Net loss on financial assets at fair value through other comprehensive income	-	-	(6 027)
Taxation related to components of other comprehensive income	(27)	33	848
<b>Total comprehensive loss for the period</b>	<b>(496)</b>	<b>(1 059)</b>	<b>(6 682)</b>
<b>Loss attributable to:</b>			
Owners of the parent:			
Loss for the period from continuing operations	(468)	(592)	(1 252)
Loss for the period from discontinued operations	(89)	(381)	(236)
<b>Loss for the period attributable to owners of the parent</b>	<b>(557)</b>	<b>(973)</b>	<b>(1 488)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of the parent:			
From continuing operations	(407)	(678)	(6 446)
From discontinued operations	(89)	(381)	(236)
<b>Total comprehensive loss for the period attributable to owners of the parent</b>	<b>(496)</b>	<b>(1 059)</b>	<b>(6 682)</b>

\*Contains reclassifications.

# Statement of Comprehensive Income

<i>Figures in ZAR thousand</i>	<i>Six months ended 31 August 2011 (unaudited)</i>	<i>Six months ended 31 August 2010 (reviewed)</i>	<i>Year ended 28 February 2011 (audited)</i>
Weighted average number of:			
Ordinary shares in issue '000	<b>180 296</b>	180 296	180 296
Treasury shares in issue '000	<b>(21 984)</b>	(21 984)	(21 984)
Total weighted average number of shares in issue '000	<b>158 312</b>	158 312	158 312
Basic loss per share (cents)	<b>(0.35)</b>	(0.61)	(0.94)
Basic loss per share (cents) – discontinued operations	<b>(0.05)</b>	(0.24)	(0.14)
Basic loss per share (cents) – continuing operations	<b>(0.30)</b>	(0.37)	(0.80)
Headline loss per share (cents)	<b>(0.37)</b>	(0.62)	(0.94)
<b>Reconciliation of headline loss</b>			
Basic loss	<b>(557)</b>	(973)	(1 488)
- Loss on disposal of investment properties	-	-	44
- Tax effect on profit on disposal of investment properties	-	-	(6)
- Profit on disposal of property, plant & equipment	<b>(24)</b>	(16)	(48)
- Tax effect on profit on disposal of property, plant & equipment	<b>3</b>	2	7
<b>Headline loss</b>	<b>(578)</b>	<b>(987)</b>	<b>(1 491)</b>

# Statement of Financial Position

<i>Figures in ZAR thousand</i>	<b>At 31 August 2011 (unaudited)</b>	<b>At 31 August 2010 (reviewed) restated</b>	<b>At 28 February 2011 (audited)</b>
<b>Non-current assets</b>	<b>25 714</b>	*26 963	24 419
Investment property	395	877	395
Property, plant & equipment	5 817	5 984	5 688
Goodwill	1 318	1 318	1 318
Intangible assets	3 461	2 482	3 106
Investment in associate	2 796	1 220	1 794
Other financial assets*	43	*6 091	46
Deferred tax assets	11 531	8 391	11 588
Finance lease receivables	353	600	484
<b>Current assets</b>	<b>44 666</b>	*44 687	45 892
Inventories	37 738	38 143	37 525
Loan to associate	-	77	-
Other financial assets*	919	*1 208	1 033
Finance lease receivables	378	375	406
Trade and other receivables	5 234	4 233	6 566
Cash and cash equivalents	397	651	362
Assets of discontinued operations	27	39	24
<b>Total assets</b>	<b>70 407</b>	<b>71 689</b>	<b>70 335</b>
<b>Capital and reserves</b>	<b>31 123</b>	37 242	31 619
Issued capital	43 641	43 641	43 641
Reserves	50	(86)	(11)
Accumulated loss	(12 568)	(6 313)	(12 011)
<b>Non-current liabilities</b>	<b>14 960</b>	1 410	13 612
Other financial liabilities	11 842	-	10 633
Finance lease obligations	914	592	587
Deferred tax liabilities	2 204	818	2 392
<b>Current liabilities</b>	<b>24 095</b>	32 943	25 028
Other financial liabilities	2 258	11 843	329
Current tax payable	23	3	23
Finance lease obligations	393	1 002	494
Operating lease liability	688	149	450
Trade and other payables	12 008	12 228	14 678
Bank overdrafts	8 725	7 718	9 054
Liabilities of discontinued operations	229	94	76
Total liabilities	39 284	34 447	38 716
<b>Total equity and liabilities</b>	<b>70 407</b>	<b>71 689</b>	<b>70 335</b>

\*Restated due to change in accounting policy

# Statistical Data

<i>Figures in ZAR thousand</i>	At 31 August 2011 (unaudited)	At 31 August 2010 (reviewed)	At 28 February 2011 (audited)
Ordinary shares in issue ('000)	180 296	180 296	180 296
Treasury shares** ('000)	(21 984)	(21 984)	(21 984)
Total number of shares in issue ('000)	158 312	158 312	158 312
Net asset value per share (cents)	19.7	24.0	20.0
Net tangible asset value per share (cents)	16.6	21.0	17.2

\*\* Including Share Incentive scheme shares of 20 703 531 shares

## Statements of Changes in Equity

<i>Figures in ZAR thousand</i>	Share capital	Foreign currency translation reserve	Fair value adjustment assets at fair value through OCI Reserve	Total reserves	Accumulated loss	Total equity
<b>Balance at 28 February 2010</b>	<b>43 641</b>	-	-	-	<b>(5 340)</b>	<b>38 301</b>
Total comprehensive loss	-	(86)	-	(86)	(973)	(1 059)
<b>Balance at 31 August 2010</b>	<b>43 641</b>	<b>(86)</b>	-	<b>(86)</b>	<b>(6 313)</b>	<b>37 242</b>
Total comprehensive loss	-	75	(5 183)	(5 108)	(515)	(5 623)
Transferred to accumulated loss	-	-	5 183	5 183	(5 183)	-
<b>Balance at 28 February 2011</b>	<b>43 641</b>	<b>(11)</b>	-	<b>(11)</b>	<b>(12 011)</b>	<b>31 619</b>
Total comprehensive loss	-	61	-	61	(557)	(496)
<b>Balance at 31 August 2011</b>	<b>43 641</b>	<b>50</b>	-	<b>50</b>	<b>(12 568)</b>	<b>31 123</b>

## Statement of Cash Flows

<i>Figures in ZAR thousand</i>	6 Months ended 31 August 2011 (unaudited)	6 Months ended 31 August 2010 (reviewed)	12 Months ended 28 February 2011 (audited)
Cash flows - operating activities	(173)	2 669	5 141
Cash flows - discontinued operations	60	-	(114)
Taxation paid	-	(248)	(461)
Cash flow from investing activities	(1 334)	(1 129)	(1 784)
Cash flow from financing activities	1 811	(2 917)	(6 041)
Net cash flow for period	364	(1 625)	(3 259)
Cash and cash equivalents at beginning of period	(8 692)	(5 433)	(5 433)
Cash and cash equivalents at end of period	(8 328)	(7 067)	(8 692)

# Condensed Segment Report

<i>Figures in ZAR thousand</i>	<b>6 Months ended 31 August 2011 (unaudited)</b>	<b>6 Months ended 31 August 2010 (reviewed)</b>	<b>12 Months ended 28 February 2011 (audited)</b>
Revenue			
• Health and wellness	<b>12 745</b>	12 076	33 312
• Asset management	<b>17 323</b>	23 053	43 334
• Property development	<b>1 078</b>	2 688	4 665
• Corporate services	<b>9 533</b>	682	16 102
• General financing	<b>196</b>	205	371
• Other	-	-	-
• Intersegment revenues eliminated	<b>(9 533)</b>	(8 656)	(16 237)
<b>Revenue as per Statement of Comprehensive Income*</b>	<b>31 342</b>	<b>*38 048</b>	<b>81 547</b>
Reportable segment profit / (loss) before taxation			
• Health and wellness	<b>(3 220)</b>	(1 536)	(1 493)
• Asset management	<b>2 270</b>	4 901	5 500
• Property development	<b>(1 447)</b>	(1 310)	(1 715)
• Corporate services	<b>1 902</b>	(674)	(10 148)
• General financing	<b>(157)</b>	(790)	(1 110)
• Other	-	161	406
• Discontinued operations	<b>(89)</b>	(381)	(236)
• Intergroup segment profits eliminated	-	(949)	7 160
<b>Loss before taxation as per Statement of Comprehensive Income after discontinued operations</b>	<b>(741)</b>	<b>(578)</b>	<b>(1 636)</b>
Reportable segment assets			
• Health and wellness	<b>6 067</b>	5 570	6 015
• Asset management	<b>5 695</b>	10 455	5 051
• Property development	<b>41 165</b>	40 732	41 084
• Corporate services	<b>59 345</b>	64 788	55 429
• General financing	<b>1 635</b>	1 907	1 888
• Other	<b>27</b>	58	24
• Assets of discontinued operations	<b>27</b>	39	24
• Intergroup elimination	<b>(43 527)</b>	(51 821)	(39 156)
<b>Total assets as per Statement of Financial Position</b>	<b>70 407</b>	<b>71 689</b>	<b>70 335</b>

\*Contains reclassifications.

## ***Nature of business***

StratCorp is an investment holding company listed on AltX. StratCorp's business through its subsidiaries is divided into four distinct segments, namely Asset (Investment) Management, Distribution of Health and Wellness products, General Financing and Property Development and Corporate Services.

## ***Overview***

During the period under review, trading conditions initially showed improvement in March and April 2011, but the subsequent four months were again difficult. The current economic climate affected the client base's ability to continue subscribing for the products and services offered by the Group. An operational loss before taxation ("net operating loss") of R557 000 were recorded for the period under review, which is an improvement to the net operating loss of R973 000 for the period to 31 August 2010.

The Group is constantly looking at ways to improve the efficiencies of its operations and the distribution of its products to its client base. Various new channels of distribution have been identified and are in the process of implementation. This includes direct marketing of some of the products to its client base, as well as distributing some of the products through wholesale channels.

StratEquity (now Virtus Financial Services), under current conditions, delivered satisfactory results for the period under review, producing a profit of R2 270 000 before tax. This business does however faces challenges in maintaining and growing its client base as the current economic climate contributes to the affordability problem of clients, and therefore various new product options are being investigated and implemented. StratEquity is in the process of closing its Swaziland operation as it is not profitable to operate in this country anymore, with member levels declined over the last two years.

I-Cura did not meet expectations as the current economic climate forced clients to reconsider their spending priorities. This division incurred a loss of R3 220 000 before tax for the period under review. The Kenya operations of I-Cura have again delivered disappointing results and the business model there is being reviewed to assess the way forward to include a wholesale or retail distribution channel.

The Property division has not been able to sell completed units as expected due to an over-supply of similar units in the market and competitors cutting prices to offload excess units. The Property division is however in the fortunate position that nearly all its units are being rented out and therefore the division generates an operating profit for the group. Although it is the stated objective of StratCorp to sell the property assets, it will only do so if it is profitable. The Group has been approached by various parties to acquire its property assets, including the vacant pieces of land it owns, and are considering these offers.

StratFin, the lending business in the Group, maintained its business at current levels. The Group is looking at various options to grow this business in the medium term to become a meaningful contributor to the Group's results.

Cash flow remains tight and is monitored on a daily basis. Net cash utilised in the operations for the period under review amounted to R173 000. The focus on improving working capital management contributed to the low level of cash utilisation for the period when compared to the operating loss. Capital expenditure of R1 334 000 were incurred, mostly relating to software development and the acquisition of vehicles for the sales division and training officers in I-Cura, the latter being funded through debt facilities from various banks. No further material capital expenditure, apart from the continued software development, is planned for the remainder of the financial year.

## ***Prospects***

The Group has seen some positive change in general market conditions since end September 2011, but it is still too early to confirm if it will be sustainable until year end. Constant changes to the various business operations are being implemented in order to increase revenue streams.

## ***Strategy***

The board's decision to concentrate most of its expansion and management efforts in the current financial year towards ensuring that the two main operating subsidiaries, StratEquity (now Virtus Financial Services) and I-Cura, become long term sustainable, highly profitable business units are continuing and all efforts are concentrated thereon.

Aside from the fact that the property division's activities is on only selling off the land and units, no other new activities were or will be implemented in the near future. The residential property market however remains very difficult and the selling of the properties is extremely slow.

## ***Subsequent events***

The Company disposed of its interest in StratCol Limited ("StratCol"), an associated company in which StratCorp held a 31.11% interest. StratCorp invested R250 000 in StratCol at the time it was established. The interest was sold on 28 September 2011 for a cash consideration of R 5 500 000. The carrying amount of the investment in associate amounted to R2 796 000 at 31 August 2011. Other than the facts and developments reported on in these results, there have been no material changes in the affairs, financial or trading position of the group since 31 August 2011.

## ***Basis of preparation and changes in accounting policy***

The results of the Group for the six months ended 31 August 2011 have been prepared in accordance with the Group's accounting policies which comply with the recognition and measurement principles of International Financial Reporting Standards and the disclosure requirements of IAS 34 – Interim Financial Reporting as well as the AC 500 standards as issued by the Accounting Practices Board or its successor for interim reporting. The standards are subject to ongoing review and may change.

The accounting policies are consistent with those applied in the financial statements for the year ended 28 February 2011, however there has been a change in the accounting policy for the accounting for Financial Instruments when compared to August 2010.

## ***IFRS 9 Financial instruments: Classification and measurement***

IFRS 9, 'Financial instruments: Classification and measurement', effective 1 January 2013. IFRS 9 was issued in November 2009. It replaces the parts of IAS 39 that relate to the classification and measurement of financial assets. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

The group has adopted IFRS 9 from 1 March 2010, as well as the related consequential amendments to other IFRS, because this new accounting policy provides reliable and more relevant information for users to assess the amounts, timing and uncertainty of future cash flows. In accordance with the transition provisions of the standard, comparative figures have not been restated.

The group's management has assessed the financial assets held by the Group at the date of initial application of IFRS 9 (1 March 2010). The main effects resulting from this assessment were: Equity investments held for trading that were previously measured at fair value and classified as at fair value through profit and loss have been designated as at fair value through other comprehensive income. The effect of this change in accounting policy on earnings per share is shown below.

The aggregate effect of the changes in accounting policy on the company and group financial statements for the period ended 31 August 2010 is as follows:

### **Statement of Financial Position**

Figures in R'000

	<i>New policy</i>	<i>Previously reported</i>
Non-current assets	26 963	20 936
Current assets	44 687	50 714
Assets of discontinued operations	39	39
<b>Total assets</b>	<b>71 689</b>	<b>71 689</b>

### **Statement of Comprehensive Income, Earnings per share and Statement of Changes in Equity**

There was no effect on the Statement of comprehensive income or on the Statement of changes in equity for the period ended 31 August 2010.

Earnings and headline earnings per share was unaffected by the change in accounting policy for the period ended 31 August 2010.

### **Reclassification of comparative figures**

Certain comparative figures have been reclassified. The most important reclassifications are as follows:

- Revenue for the period 31 August 2010 has been increased with R171 901 and interest received decreased with R171 901. For the period 28 February 2011, Revenue increased with R295 374 and interest income decreased with R295 374. Interest earned by StratFin is now reported as part of Revenue for the group.

### **Discontinued operations**

As was previously reported in the 2011 Annual Report, the group has decided to discontinue its StratEquity operations in Botswana, Lesotho and Namibia. The group has also decided to discontinue and to deregister Menlyn Taxi Association Finance Administration (Pty) Ltd, PoolCop Marketing (Pty) Ltd and Silver Meadow Trading 263 (Pty) Ltd.

PoolCop Marketing (Pty) Ltd has been sold during September 2011 and Menlyn Taxi Association Finance Administration (Pty) Ltd has been deregistered on 5 October 2011.

All other companies are in the process of being winded down and to be deregistered.

### **Statement of cashflows**

Included in Cash flow from financing activities of R1 811 are net proceeds from other financial liabilities of R3 140 and finance cost of (R1 688) (August 2010: (R1 386)). The Group obtained a R2.45m loan from Kose-Kose Investments Limited during the period repayable in full by November 2012. At 31 August 2011 R1.2m remained outstanding.

### **Information about reportable segments**

The reportable segments are the segments regularly reported to the chief operating decision maker. There were no material reconciling items between the profit before taxation for the segments and the profit before tax for the group.

Admin and management fees and finance charges charged from corporate services to other segments in the group are eliminated upon consolidation.

General financing is a new reportable segment and as a result the comparative figures for the General financing segment for the period ended 31 August 2010 have been reclassified between "Other" and General financing.

## ***Significant related party transactions***

The group obtained a R2.45m loan from Kose-Kose Investments Limited (Major shareholder (34.98%)) during the period repayable in full by November 2012. At 31 August 2011 R1.2m of the loan remained outstanding. The loan carries interest at a fixed 15% per annum.

The group also obtained a loan from DB Harington (Director) amounting to R0.8m. The loan is repayable on demand and carries interest at a fixed 10% per annum.

## ***Corporate Governance***

The Group is striving towards maintaining the highest standards of governance as embodied in the King III Report on Corporate Governance. The Risk and Audit committee functions have been split and together with the Nomination and Remuneration committees are fully functional and independent.

## ***Changes to the board***

Tumelo Given Ratau was appointed as a non-executive director to the Board with effect from 16 August 2011. Mr Ratau has been appointed as a member of the Risk and Audit Committee in October 2011. Mr Ratau also serves on the Board of Kose-Kose Investments Limited, where he is the chairman of the Risk and Audit Committee. There were no other changes to the Board during the period under review.

## ***Dividends***

No interim dividend was proposed.

On behalf of the board,

### **DB Harington**

Chief Executive Officer

### **JHP Engelbrecht**

Group Financial Director

### **7 November 2011**

#### **Registered Offices**

3<sup>rd</sup> Floor, Lakeside Building A  
2004 Gordon Hood Drive  
Centurion  
Pretoria

#### **Transfer Secretaries**

Computershare Investor Services (Pty) Ltd  
Ground Floor, 70 Marshall Street,  
Johannesburg, 2001

#### **Designated Adviser**

Vunani Corporate Finance

#### **Auditors**

SAB&T Incorporated

**Directors: PJ de Jongh\* (Chairman); DB Harington (CEO); JHP Engelbrecht (GFD); IM Wright (CIO); MM Patel\*; SR Firer\*; TG Ratau\***

(\*Non-executive)

**Company Secretary: JPJ Louw**

# Notice Of General Meeting

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## **StratCorp LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 2000/031842/06)

JSE code: STA

ISIN: ZAE000034294

("StratCorp" or "the Company")

If you are in any doubt as to what action to take in regard to this notice, please consult your Central Securities Depository Participant ("CSDP"), broker, banker, accountant, attorney or other professional adviser immediately and refer to the instructions set out at the conclusion of this notice

**NOTICE IS HEREBY GIVEN THAT A GENERAL MEETING OF SHAREHOLDERS OF StratCorp LIMITED ("THE COMPANY") WILL BE HELD AT THE 3<sup>RD</sup> FLOOR, LAKESIDE BUILDING A, 2004 GORDON HOOD DRIVE, CENTURION ON WEDNESDAY, 7 DECEMBER 2011 AT 10:00**

Shareholders are reminded that-

- a shareholder entitled to attend and vote at the general meeting is entitled to appoint one or more proxies to attend, participate in and vote at the meeting in the place of the shareholder, by making use of the proxy form attached to the notice;
- a proxy need not also be a shareholder of the Company; and
- in terms of section 63(1) of the Companies Act 71 of 2008 as amended ("the Companies Act") any person attending or participating in a meeting of shareholders must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified.

The purpose of the meeting is to consider and if deemed fit to pass, with or without modification, the resolutions set out below:

### ***1.1 Special Resolution 1***

To ratify the payment of remuneration by the Company to its directors for the period 1 March 2011 to 30 November 2011 and to approve the remuneration to be paid by the Company to its directors for the period 1 December 2011 to 29 February 2012, to a maximum amount of R1,150,000 as required in terms of sections 66(8) and 66(9) of the Companies Act 71 of 2008.

#### ***Reason and effect***

The new Companies Act (Act 71 of 2008) which became effective on 1 May 2011 necessitated the approval of directors' remuneration by shareholders, as required by sections 66(8) and (9) of the said Companies Act.

The effect of this resolution will be that the remuneration paid to the directors of the company for the period 1 March 2011 to 29 February 2012 is approved by the Company's shareholders.

#### ***Voting***

In order for this special resolution to be approved, 75% (seventy-five percent) of the total number of votes cast in favour of this resolution by all shareholders present or represented by proxy at this meeting is required.

### ***1.2 Special Resolution 2***

That for the period 1 March 2012 to 28 February 2013, the directors be paid remuneration in accordance with the Company's remuneration policy and as determined by the company's remuneration committee.

#### ***Reason and effect***

The new Companies Act (Act 71 of 2008) which became effective on 1 May 2011 necessitated the approval of directors' remuneration by shareholders, as required by sections 66(8) and (9) of the said Companies Act.

The effect of this resolution will be that the remuneration paid to the directors of the company for the period 1 March 2012 to 29 February 2013 is approved by the Company's shareholders.

#### ***Voting***

In order for this special resolution to be approved 75% (seventy-five percent) of the total number of votes cast in favour of this resolution by all shareholders present or represented by proxy at this meeting is required.

## Proxies and Voting

### Proxies

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend, speak, and vote at the General Meeting are entitled to appoint a proxy or proxies to attend, speak and on a poll vote in their stead. The proxy need not be a shareholder of the Company. It is requested that forms of proxy be forwarded as to reach the transfer secretaries no later than 48 hours before the time of the general meeting. 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 general meeting do not deliver forms of proxy to the transfer secretary 48 hours before the time of the meeting, such shareholders will nevertheless at any time prior to the commencement of the voting on the resolutions at the general meeting be entitled to lodge the form of proxy in respect of the general meeting, in accordance with the instructions therein with the chairperson of the general meeting. 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. A form of proxy is attached for the convenience of any shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration and who cannot attend the General Meeting, but who wish to be represented thereat.

Additional forms of proxy may be obtained on request from the Company's registered office. The completed forms of proxy must be deposited at, posted or faxed to the registered office of the Company or the transfer secretaries at the address set out on the inside of the back cover, to be received by no later than 10:00 on Monday, 5 December 2011. Any member who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the General Meeting should the member subsequently decide to do so.

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/she votes, use all of his/hers votes, or cast all the votes he/she 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 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 General Meeting, to obtain the necessary letter of representation to do so.

Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Company at the 3<sup>rd</sup> Floor, Lakeside Building A, 2004 Gordon Hood Drive, Centurion (marked for the attention of The Company Secretary) by no later than 10:00 on Monday, 5 December 2011, stating that they wish to participate via electronic communication at the General Meeting (the "Electronic Notice"). In order for the Electronic Notice to be valid it must contain: (a) if the shareholder is an individual, a certified copy of his identity document and/or passport; (b) if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. The relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and (c) a valid e-mail address and/or facsimile number (the "Contact Address/Number"). By no later than Monday, 5 December 2011 the Company shall use its reasonable endeavours to notify a shareholder who has delivered a valid Electronic Notice at its contact address/number of the relevant details through which the shareholder can participate via electronic communication.

In terms of Section 63(1) of the Companies Act, before any person may attend or participate in a shareholders meeting such as the meeting convened in terms of this notice of general meeting, that person must present reasonable satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy of a shareholder, has been reasonably verified.

By order of the Board,

#### **JPJ Louw**

Company Secretary  
Centurion  
7 November 2011

#### **Registered Address:**

3<sup>rd</sup> Floor, Lakeside Building A, 2004 Gordon Hood Drive, Centurion South Africa  
(PO Box 12022 Centurion 0046 South Africa)

#### **Company Secretary:**

JPJ Louw, 3<sup>rd</sup> Floor, Lakeside Building A, 2004 Gordon Hood Drive,  
Centurion South Africa (PO Box 12022 Centurion 0046 South Africa)

#### **Transfer Secretaries:**

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

# Action Required By Shareholders

**If you are in any doubt as to what action to take in regard to this Notice of General Meeting, please consult your CSDP, broker, banker, accountant, attorney or other professional adviser immediately.**

This Notice of General Meeting contains information relating to the approval of directors' remuneration of StratCorp.

This Notice of General Meeting also contains information relating to the special resolutions as detailed in the notice of general meeting. You should carefully read through this Notice of General Meeting and decide how you wish to vote on the resolutions to be proposed at the general meeting.

The general meeting, convened in terms of this Notice of General Meeting, will be held at the 3<sup>rd</sup> Floor, Lakeside Building A, 2004 Gordon Hood Drive, Centurion on Wednesday, 7 December 2011 at 10:00.

## **ACTIONS REQUIRED BY CERTIFICATED SHAREHOLDERS AND OWN-NAME DEMATERIALIZED SHAREHOLDERS**

A form of proxy is attached for the convenience of Certificated Shareholders and own-name Dematerialised Shareholders who are unable to attend the General Meeting, but who wish to be represented thereat. In order to ensure validity, duly completed forms of proxy must either be returned to the: (a) Transfer Secretaries, so as to reach them by no later than 10:00 on 5 December 2011; or (b) The chairperson of the General Meeting so as to reach him by no later than immediately prior to the commencement of voting on the resolutions at the General Meeting.

## **ACTIONS REQUIRED BY DEMATERIALIZED SHAREHOLDERS OTHER THAN THOSE WITH OWN-NAME REGISTRATION**

The CSDP or broker, as the case may be, of Dematerialised Shareholders, other than those with own-name registration, should contact such Dematerialised Shareholders to ascertain how they wish their votes to be cast at the General Meeting and thereafter cast their votes in accordance with their instructions. If such Dematerialised Shareholders have not been contacted, it is recommended that they contact their CSDP or broker, as the case may be, to advise them as to how they wish their vote to be cast.

Dematerialised Shareholders, other than those with own-name registration, who wish to attend the General Meeting, must request a letter of representation from their CSDP or broker, as the case may be, but must not complete the attached form of proxy.

**StratCorp does not accept any responsibility and will not be held liable for any failure on the part of the broker or CSDP (as the case may be) of a dematerialised shareholder to notify such dematerialised shareholder of the details of this Notice of General Meeting.**

## **ELECTRONIC PARTICIPATION**

In terms of section 61(10) of the Act every shareholders meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders.

Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Company at the 3<sup>rd</sup> Floor, Lakeside Building A, 2004 Gordon Hood Drive, Centurion (marked for the attention of The Company Secretary) by no later than 10:00 on 5 December 2011 stating that they wish to participate via electronic communication at the General Meeting (the "**Electronic Notice**"). In order for the Electronic Notice to be valid it must contain: (a) if the shareholder is an individual, a certified copy of his identity document and/or passport; (b) if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. The relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and (c) a valid e-mail address and/or facsimile number (the "Contact Address/Number"); By no later than 5 December 2011 the Company shall use its reasonable endeavours to notify a shareholder at its contact address/number who has delivered a valid Electronic Notice of the relevant details through which the shareholder can participate via electronic communication.

	<b>2011</b>
Notice posted to shareholders	Tuesday, 8 November
Last day to trade in order to be eligible to vote	Friday, 25 November
Record date in order to be eligible to vote	Thursday, 1 December
Last day to lodge an instruction requesting to participate at the General Meeting via electronic participation by 10h00 on	Friday, 2 December
Last day to lodge forms of proxy in respect of the General Meeting by 10h00 (see note 3 below)	Monday, 5 December
General meeting to be held at 10h00 on	Wednesday, 7 December
Results of the general meeting released on SENS on or about	Wednesday, 7 December



# FORM OF PROXY

**StratCorp LIMITED**

(Incorporated in the Republic of South Africa)  
 (Registration number 2000/031842/06)  
 JSE code: STA  
 ISIN: ZAE 000034294  
 ("StratCorp Limited" or "the Company")

For use in respect of the General Meeting to be held at the 3rd Floor, Lakeside Building A, 2004 Gordon Hood Drive, Centurion on Wednesday, 7 December 2011 at 10:00.

Ordinary 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 General Meeting, or the ordinary shareholder 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 \_\_\_\_\_ (block letters) \_\_\_\_\_ of address \_\_\_\_\_ (telephone (work) \_\_\_\_\_ telephone (home) \_\_\_\_\_) being the holder(s) of \_\_\_\_\_ shares in the Company hereby appoint \_\_\_\_\_ or failing him/her, \_\_\_\_\_ or failing him/her, \_\_\_\_\_, or failing him/her the Chairman of the General Meeting as my/our proxy to act on my/our behalf at the General Meeting of the shareholders of the Company to be held on Wednesday, 7 December 2011 and at each adjournment thereof and, on a poll, to vote for or against the resolutions or to abstain from voting in respect of the shares registered in my/our name/s, in accordance with the following instructions (see note 2):

		For	Against	Abstain
1.	<i>Special Resolution 1 - to ratify the payment by the Company of remuneration to its directors for the period 1 March 2011 to 30 November 2011 and to approve the remuneration to be paid by the Company to its directors for the period 1 December 2011 to 29 February 2012.</i>			
2.	<i>Special Resolution 2 - to approve the payment of remuneration by the company to its directors for the period 1 March 2012 until 28 February 2013.</i>			

Please indicate instruction to proxy in the space provided above by the insertion therein of an "X", or the relevant number of votes exercisable

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2011

Signature(s) \_\_\_\_\_

Capacity \_\_\_\_\_

PLEASE READ THE NOTES ON THE NEXT PAGE >>>



**Please read the notes below.**

**Notes to form of proxy**

1. Where there are joint holders of shares:
  - a) any holder may sign this form of proxy; and
  - b) 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.
2. A shareholder may insert the name or names of two alternative proxies of his/her choice in the space provided, with or without deleting "the Chairman of the Meeting". The person whose name appears first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. Any such proxy, who need not be a shareholder of the Company, is entitled to attend, speak and vote on behalf of the shareholder.
3. A proxy is entitled to one vote on a show of hands and, on a poll, one vote for each share held. A shareholder's instructions to the proxy must be indicated in the appropriate spaces.
4. If a shareholder does not indicate on this instrument that the proxy is to vote in favour of or against any resolution or to abstain from voting or gives contradictory instructions, or should any further resolution/s or any amendment/s which may be properly put before the General Meeting be proposed, the proxy shall be entitled to vote as he thinks fit.
5. Forms of proxy must be lodged at, posted to or faxed to the registered office of the Company at 3<sup>rd</sup> Floor, Lakeside Building A, 2004 Gordon Hood Drive, Centurion (P O Box 12022, Centurion, 0046) to reach the Company by no later than 10:00 on Monday, 5 December 2011 or be lodge with the chairperson of the General Meeting prior to the General Meeting so as to reach him by no later than immediately prior to the commencement of voting on the resolutions at the General Meeting.
6. Documentary evidence establishing the authority of the person signing the proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the Chairperson of the General Meeting.
7. A minor must be assisted by the parent or guardian, unless the relevant documentation establishing such capacity are produced or have been recorded via the company.
8. The completion and lodging of this form of proxy does not preclude the relevant shareholder from attending the General Meeting and speaking and voting in person to the exclusion of any proxy appointed in terms of this proxy form.
9. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
10. The Chairman of the Meeting may accept or reject any form of proxy, which is completed and/or received other than in accordance with these notes, provided that he shall not accept a proxy unless he is satisfied as to the manner in which a member wishes to vote.
11. Shareholders who have dematerialised their shares must inform their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the General Meeting and request their CSDP or broker to issue them with the necessary Letter of Representation to attend the General Meeting or provide their CSDP or broker with their voting instructions should they not wish to attend the General Meeting in person but wish to be represented thereat. This must be done in terms of the agreement entered into between the members and their CSDP or broker

**Registered Office:**

PO Box 12022  
Centurion  
0046

3<sup>rd</sup> Floor, Lakeside Bldg A  
2004 Gordon Hood Drive  
Centurion 0046

Tel: 012 - 643 7400  
Fax: 012 - 663 2914