

This circular is important and requires your immediate attention

The definitions and interpretations commencing on page 4 of this circular apply, changed as necessary, throughout this circular including this cover page.

Action required of YeboYethu shareholders

1. This circular is important and should be read in its entirety, with particular attention to the section titled "*Action required of YeboYethu shareholders*", which commences on page 2.
2. If you are in any doubt about what action you should take, please consult your legal adviser, banker, financial adviser, accountant or other professional adviser.
3. If you have sold or otherwise transferred all or any of your YeboYethu Ordinary Shares, please forward this circular together with the accompanying documents to the purchaser or transferee, or the person who arranged the sale or transfer so they can pass these documents to the person who now holds the YeboYethu Ordinary Shares.



Incorporated in South Africa
(Registration number 2008/014734/06)
("YeboYethu")

Circular to YeboYethu shareholders

regarding:

- **the proposed admission to listing of the YeboYethu Ordinary Shares as Asset Backed Securities (being specialist securities under the JSE Listings Requirements) on the BEE Segment and in connection therewith:**
 - **the adoption of a New YeboYethu MOI in substitution of the Existing YeboYethu MOI;**
 - **the implementation of a Bulk Dematerialisation of YeboYethu Ordinary Shares; and**
 - **the authorisation of proposed financial assistance by YeboYethu,**

and incorporating:

- **the notice of general meeting, setting out the resolutions to be proposed at the general meeting, together with explanatory notes for use by YeboYethu shareholders;**
- **a form of proxy (blue) for use by YeboYethu shareholders.**

Corporate information

Registration number of YeboYethu

2008/014734/06

Postal address of YeboYethu

Private Bag X9904
Sandton
2146

Registered office of YeboYethu

Vodacom Corporate Park
082 Vodacom Boulevard
Midrand
1685

Transfer Secretaries

Singular Systems (Proprietary) Limited
Registration number 2002/001492/07
71 Corlett Drive, Birnam 2196
(PO Box 1266, Bramley 2018)

Company secretary

Lebogang Mogoane
Vodacom Corporate Park
082 Vodacom Boulevard
Midrand
1685

Auditors

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0081
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Attorneys

Cliffe Dekker Hofmeyr Incorporated
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1 Protea Place, Cnr Fredman & Protea Place
Sandton
2196
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Assistance with general meeting queries and forms of proxy

Transfer Secretaries

Singular Systems (Proprietary) Limited
Registration number 2002/001492/07
71 Corlett Drive, Birnam 2196
(PO Box 1266, Bramley 2018)
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Action required of YeboYethu shareholders

The definitions and interpretations commencing on page 4 of this circular apply, changed as necessary, to this section pertaining to the action required of YeboYethu shareholders.

This circular is important and requires your immediate attention. The action that you have to take is set out below.

If you are in any doubt about what action you should take, consult your legal adviser, banker, financial adviser, accountant or other professional adviser immediately.

If you have sold or otherwise transferred all or any of your YeboYethu Ordinary Shares, please forward this circular together with the accompanying documents to the purchaser or transferee, or the person who arranged the sale or transfer so that they can pass these documents to the person who now holds the YeboYethu Ordinary Shares.

ACTION REQUIRED OF YEBOYETHU SHAREHOLDERS REGARDING THE GENERAL MEETING

A general meeting will be held at 10:00 on Wednesday 29 June 2016 in the Dome, Vodacom World, 082 Vodacom Boulevard, Midrand, Johannesburg, South Africa to consider and if deemed fit, pass the resolutions as set out in the notice of general meeting attached to this circular, with or without modification.

ATTENDANCE AND VOTING AT THE GENERAL MEETING

You may attend the general meeting in person and may vote at the general meeting. Alternatively, you may appoint a proxy or proxies to attend the general meeting and to speak and vote in your stead.

You may appoint a proxy or proxies to represent you at the general meeting by completing the attached form of proxy in accordance with the instructions contained therein and returning it to the Transfer Secretaries so as to be received by them by no later than 10:00 on Tuesday 28 June 2016. Should the form of proxy not be delivered to the Transfer Secretaries by this time, you will be entitled to furnish your form of proxy to the chairman of the general meeting before the appointed proxy exercises any of your shareholder rights at the meeting (or any adjournment or postponement thereof).

Important dates and times

The definitions and interpretations commencing on page 4 of this circular apply, changed as necessary, to this section pertaining to important dates and times.

	2016
Circular posted to YeboYethu shareholders from	Tuesday 31 May
Last day for the Transfer Secretaries to receive forms of proxy by 10:00 on	Tuesday 28 June
General meeting to be held at 10:00 in the Dome, Vodacom World, 082 Vodacom Boulevard, Midrand, Johannesburg, South Africa on	Wednesday 29 June
Results of the general meeting to be released on YeboYethu's website on	Wednesday 29 June
New YeboYethu MOI to be lodged with the Companies and Intellectual Property Commission on or about	Thursday 30 June
Last day to trade on the OTC Platform	Friday 15 July
Last day for the Transfer Secretaries to receive election form from Election Shareholders of their election to retain their YeboYethu Ordinary Shares in certificated form	The 5 th Business Day prior to the BEE Listing Date
YeboYethu Ordinary Shareholders (other than Election Shareholders) registered as such at the close of business on this date will have their YeboYethu Ordinary Shares Dematerialised on	The BEE Listing Date
Commencement of trading of YeboYethu Ordinary Shares on the BEE Segment	The BEE Listing Date
New YeboYethu Ordinary Share certificates displaying the JSE alpha code and ISIN issued to Election Shareholders (but retained by the Transfer Secretaries in safe custody)	The BEE Listing Date

Notes:

1. All dates and times referred to in this circular are subject to change and YeboYethu shareholders will be notified of any such changes, if any.
2. All times referred to in this circular are local times in South Africa.

Definitions and interpretations

In this circular and its annexures, unless otherwise stated or the context otherwise indicates, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words in the singular shall include the plural and *vice versa*, and words importing natural persons shall include corporations and associations of persons and an expression indicating one gender shall include the other gender.

"Asset Backed Securities"	has the meaning given to such term in the Listings Requirements;
"Authorised User"	has the meaning given to such term in the FM Act;
"BEE"	black economic empowerment as contemplated in the BEE Act, the BEE Codes and BEE ICT Code;
"BEE Act"	the Broad-Based Black Economic Empowerment Act, 53 of 2003 and any regulations promulgated thereunder as amended;
"BEE Codes"	the Broad-Based Black Economic Empowerment Codes of Good Practice gazetted under the BEE Act;
"BEE ICT Code"	the Information and Communication Technology Sector Code published in terms of Section 9(1) of the BEE Act;
"BEE Listing"	the proposed admission to listing of the YeboYethu Ordinary Shares as Asset Backed Securities on the BEE Segment on the BEE Listing Date;
"BEE Listing Date"	the date of the BEE Listing, which date shall be notified by YeboYethu to the YeboYethu shareholders by no later than the 15 th business day prior to that date;
"BEE Listing Period"	the period commencing on the BEE Listing Date and ending on the date on which the BEE Listing terminates for any reason;
"BEE Segment"	has the meaning given to such term in the Listings Requirements;
"BEE Verification"	the verification of a person by the BEE Verification Agent, which verification must conclude, <i>inter alia</i> , that: <ul style="list-style-type: none"> • the person is an Eligible Person; • such Eligible Person has been notified of the necessary restrictions, limitations and requirements applicable to such YeboYethu Ordinary Shares from time to time as set out in the New YeboYethu MOI and the Transaction Agreements, and has agreed to be bound by the provisions thereof; and • such Eligible Person has accepted the relevant Trading Terms and Conditions and has signed all documents and contracts required in terms of such Trading Terms and Conditions;
"BEE Verification Agent"	during the BEE Listing Period, a person appointed from time to time by YeboYethu to conduct BEE Verification who as at the last practicable date, is Velocity;
"BEE Verified Persons"	during the BEE Listing Period, any Eligible Person which YeboYethu (or its nominee, delegate or agent) has notified as having successfully completed BEE Verification, and whose BEE Verification status has not expired or been withdrawn in accordance with the relevant Trading Terms and Conditions;
"Black Business Partners"	creditworthy Black Groups that form part of Vodacom SA's distribution network and who participated in the initial public offering made as part of the Vodacom SA BEE transaction;
"Black Company"	an entity which is both a "B-BBEE owned company" and a "B-BBEE controlled company" (as each of such terms are defined in the BEE Codes);

"Black Entity"	a vesting trust which qualifies for recognition under the BEE Codes, a broad-based ownership scheme, or an unincorporated entity or association, including a partnership, joint venture, syndicate or stokvel as may be determined by Vodacom SA in its sole discretion as an entity which may enable Vodacom SA to claim BEE scorecard points pursuant to the BEE Codes;
"Black Group"	a Black Company or a Black Entity;
"Black People" or "Black Person"	has the meaning ascribed to it in the BEE Codes, which current meaning is summarised as follows for convenience, and should not be construed as an interpretation of the BEE Codes: Africans, Coloureds, (including Chinese) and Indians who are natural persons and who are South African citizens by: (i) birth or descent; or (ii) naturalisation occurring (a) prior to 27 April 1994, being the commencement date of the Constitution of the Republic of South Africa of 1993; or (b) after that date but who would have qualified for naturalisation prior to that date if it were not for the apartheid policies in place in South Africa, and "Black" shall be construed accordingly;
"Black Public"	individually and collectively, Black People and Black Groups;
"Bulk Dematerialisation"	the process by which all the YeboYethu Ordinary Shares held by the Bulk Dematerialised Shareholders in Certificated form are converted, prior to the BEE Listing, into Dematerialised form and such Dematerialised YeboYethu Ordinary Shares are transferred into the name of the Nominee so as to be held by it for and on behalf of the Bulk Dematerialised Shareholders;
"Bulk Dematerialised Shares"	the YeboYethu Ordinary Shares that have been Dematerialised pursuant to the Bulk Dematerialisation;
"Bulk Dematerialised Shareholders"	all YeboYethu Ordinary Shareholders who are not Election Shareholders who will have their YeboYethu Ordinary Shares dematerialised pursuant to the Bulk Dematerialisation;
"business day"	any day other than a Saturday, Sunday or gazetted national public holiday in South Africa;
"Certificated"	shares that have not been Dematerialised and which are represented by share certificates;
"circular"	this circular to YeboYethu shareholders dated 27 May 2016, and all annexures hereto, incorporating the notice of general meeting and the form of proxy;
"Companies Act"	the Companies Act, 71 of 2008, as amended;
"CSDP"	a Central Securities Depository Participant, accepted as a participant in terms of the FM Act;
"Custody Entity"	the person designated by YeboYethu from time to time to act in such capacity, the custody entity initially being Link Investor Services, acting through its Nominee and wholly-owned subsidiary, Pacific Custodians (Nominees) (RF) Proprietary Limited, registration number 2014/113298/07, a private company incorporated in accordance with the laws of South Africa;
"Dematerialise" or "Dematerialised"	the process by which Certificated securities are converted to securities that are held in collective custody by a central securities depository or its Nominee in a separate central securities account and are transferable by entry without a certificate or written instrument;
"Election End Date"	the date falling 5 Business Days prior to the BEE Listing Date;
"Election Shareholders"	those YeboYethu Ordinary Shareholders who have by the Election End Date, elected not to participate in the Bulk Dematerialisation and to continue to hold their YeboYethu Ordinary Shares in certificated form;
"Eligible Persons"	any member of the Black Public;

"Encumbrance"	in relation to any property, includes any pledge, security cession, charge hypothecation, lien, subordination, mortgage, option over, right of retention or any other encumbrance whatsoever, or any form of hedging or similar derivative instrument of any nature whatsoever of or over or in respect of that property or class of property (or any part or proceeds thereof), or any lending of that property, and, the words Encumber, Encumbered or Encumbering shall have corresponding meanings;
"ESOP"	the trustees for the time being of the YeboYethu Employee Participation Trust (Gauteng High Court Local Division, Johannesburg, Master's Reference Number 2065/2008), a trust duly constituted in accordance with the laws of South Africa, and created by Vodacom SA for the benefit of eligible employees;
"Existing YeboYethu MOI"	the memorandum of incorporation of YeboYethu, as at the last practicable date;
"FM Act"	the Financial Markets Act, 19 of 2012, as amended;
"form of proxy"	the form of proxy attached to this circular as Annexure 4;
"FSB"	Financial Services Board, established by section 2 of the Financial Services Act, 97 of 1990, as amended;
"general meeting"	the general meeting of YeboYethu shareholders to be held at 10:00 on 29 June 2016 in the Dome, Vodacom World, 082 Vodacom Boulevard, Midrand, South Africa (including any adjournment or postponement thereof);
"Implementation Date"	8 October 2008;
"ISIN"	International Securities Identification Number;
"JSE"	as the context requires, either JSE Limited, registration number 2005/022939/06, a public company incorporated in accordance with the laws of South Africa and licensed to operate an exchange under the FM Act, or the shares exchange operated by that company;
"JSE Equities Rules and Directives"	the JSE Equity Rules and Directives;
"JSE Member"	a member of the JSE;
"last practicable date"	the last practicable date prior to the finalisation of this circular being 27 May 2016;
"Link Investor Services"	Link Investor Services Proprietary Limited, registration number 2011/001308/07, a private company incorporated in accordance with the laws of South Africa
"Link Market Services"	Link Market Services South Africa Proprietary Limited, registration number 2000/007239/07, a private company incorporated in accordance with the laws of South Africa;
"Listings Requirements"	the JSE Listings Requirements, as amended;

"Lock-In Period"	<p>the period commencing on the Implementation Date and terminating on the earlier of:</p> <ul style="list-style-type: none"> • the tenth anniversary of the Implementation Date (both dates included); or • the date (if ever) upon which the BEE requirements applicable to Vodacom SA and its subsidiaries have been amended by legislation (or other applicable law or regulation or practice having the effect of law, including without limitation the BEE ICT Code or similar code or charter once it is promulgated as a sectoral code in terms of section 9 of the BEE Act) having the effect (in the sole and absolute discretion of the board of directors of Vodacom Group, after having considered representations which YeboYethu and the Strategic Partners may have made in this regard, but without being bound thereby) that the continued ownership of Vodacom SA Shares by YeboYethu, the Strategic Partners or a person or entity to whom any of the aforementioned shareholders wish to transfer their shareholdings, is no longer required for BEE purposes, and no longer results in a BEE benefit for Vodacom SA and its subsidiaries (whether as a result of a once-empowered always-empowered rule or otherwise), <p>it being recorded for the avoidance of doubt that this may have the effect that the Lock-in Period expires in respect of certain (but not necessarily all) of the Vodacom SA Shares held by YeboYethu and/or the Strategic Partners;</p>
"Market Participant"	a JSE Member, registered holder, CSDP and/or relevant intermediary, as the context may require;
"New YeboYethu MOI"	the proposed new memorandum of incorporation of YeboYethu, to be adopted by shareholders, the salient terms of which are set out in Annexure 1 to this circular;
"Nominee"	<p>a person which acts as the registered holder of YeboYethu Ordinary Shares and manages an interest in YeboYethu Ordinary Shares on behalf of other persons, and which has been approved by:</p> <ul style="list-style-type: none"> • an exchange in terms of section 76(1)(a) of the FM Act; • a central securities depository in terms of section 76(1)(b) of the FM Act; or • the Registrar of Securities Services in terms of section 76(3)(a)(i) of the FM Act;
"notice of general meeting"	the notice of the general meeting attached to this Circular as Annexure 2, and in respect of which important information is set out in Annexure 3;
"Off-Market Transfer"	any sale, purchase or transfer of YeboYethu Ordinary Shares not reported through an Authorised User;
"Off-Market Transfers Process"	the process of purchasing and/or transferring YeboYethu Ordinary Shares by a BEE Verified Person pursuant to an Off-Market Transfer, as contemplated in the Off-Market Transfers Process Terms and Conditions;
"Off-Market Transfers Process Terms and Conditions"	the document entitled " <i>YeboYethu Off-Market Transfers Process: Verification Requirements, Terms and Conditions</i> " which shall be made available at www.yeboyethushares.co.za , which document records the terms, conditions, restrictions and limitations applicable to each BEE Verified Person who elects to purchase or take transfer of any YeboYethu Ordinary Shares pursuant to an Off-Market Transfer, and which are acknowledged and accepted by such BEE Verified Person during the BEE Verification process;
"On-Market Transaction"	any sale, purchase or transfer of YeboYethu Ordinary Shares reported through an Authorised User;
"OTC Trading Platform"	the over-the-counter trading platform facilitated by YeboYethu (through Equity Express, a division of the Transfer Secretaries) specifically for the purposes of facilitating trading in YeboYethu Ordinary Shares by and among Eligible People;

"Own-Broker Trading Process"	the process of purchasing, holding and/or transferring (including by way of trading) YeboYethu Ordinary Shares from time to time in accordance with the YeboYethu BEE Contract (and not, for the avoidance of doubt, in accordance with the Standard Trading Process);
"Own-Broker Trading Process Terms and Conditions"	the document entitled " <i>YeboYethu Own-Broker Trading Process: Verification Requirements, Terms and Conditions</i> " which shall be made available at www.yeboyethushares.co.za , which document records the terms, conditions, restrictions and limitations applicable to each BEE Verified Person who elects to purchase, hold and/or transfer any YeboYethu Ordinary Shares in terms of the Own-Broker Trading Process, and which are acknowledged and accepted by such BEE Verified Person during the BEE Verification process;
"Prospectus"	the prospectus issued by YeboYethu in 2008 and supplemented in 2013 to the Black Public in relation to the Vodacom SA BEE Transaction and YeboYethu's initial public offering of its shares;
"rand" or "R"	the South African rand, the official currency of South Africa;
"RBH-CO"	Lisinfo 209 Investments (Proprietary) Limited, registration number 2008/007293/07, a private company duly incorporated in accordance with the laws of South Africa;
"South Africa"	the Republic of South Africa;
"Standard Trading Process"	the process of purchasing, holding and/or transferring (including by way of trading), YeboYethu Ordinary Shares from time to time in terms of which a BEE Verified Person enters into a contractual custody arrangement with the Custody Entity and a mandate arrangement with the Trading Entity for the purposes of effecting transfers of its YeboYethu Ordinary Shares through the JSE's trading processes, as contemplated in the Standard Trading Process Terms and Conditions;
"Standard Trading Process Terms and Conditions"	the document entitled " <i>YeboYethu Standard Trading Process: Verification Requirements, Terms and Conditions</i> " which shall be made available at www.yeboyethushares.co.za , which document records the terms, conditions, restrictions and limitations to hold, buy, sell or otherwise transfer any YeboYethu Ordinary Shares in terms of the Standard Trading Process and which are acknowledged and accepted by such BEE Verified Person during the BEE Verification process;
"STRATE"	an electronic settlement environment for transactions to be settled and transfer of ownership to be recorded electronically, managed by Strate (Proprietary) Limited, registration number 1998/022242/07, a private company incorporate in accordance with the laws of South Africa;
"Strategic Partners"	collectively RBH-CO and Thebe-CO;
"Thebe-CO"	Main Street 661 (Proprietary) Limited, registration number 2008/003181/07, a private company duly incorporated in accordance with the laws of South Africa;
"Trading Entity"	the person designated by YeboYethu from time to time to act in such capacity, which shall act as agent on behalf of each YeboYethu Ordinary Shareholder who elects to use the Standard Trading Process, initially being Velocity;
"Trading Terms and Conditions"	the terms and conditions, restrictions and limitations applicable to each BEE Verified Person and acknowledged and accepted by such BEE Verified Person during the BEE Verification process, being as the context may require: <ul style="list-style-type: none"> • the Standard Trading Process Terms and Conditions; • the Own-Broker Trading Process Terms and Conditions; and • the Off-Market Transfers Process Terms and Conditions;

"Transaction Agreements"	<p>collectively:</p> <ul style="list-style-type: none"> the Shareholders Agreement dated 24 July 2013, in terms of which the relationship between the shareholders of Vodacom SA, being RBH-CO, Thebe-CO, Vodacom Group and YeboYethu, is governed; the Relationship Agreement concluded between Vodacom Group, Vodacom SA, Royal Bafokeng Holdings Proprietary Limited, RBH-CO, RBH Telecom Holdings (Proprietary) Limited, Thebe Investment Corporation (Proprietary) Limited, Thebe-CO, the ESOP and YeboYethu on 20 June 2008; and the Subscription Agreement executed between Vodacom SA, Vodacom Group and YeboYethu dated 20 June 2008;
"Transfer Secretaries"	<p>the person designated by YeboYethu from time to time to act in such capacity, being (in line with paragraph 4 of the circular):</p> <ul style="list-style-type: none"> as at the Last Practicable Date and until 17 July 2016, is Singular Systems Proprietary Limited, registration number 2002/001492/07, a private company incorporated in accordance with the laws of South Africa; and with effect from 18 July 2016, Link Market Services;
"Velocity"	Velocity Trade Financial Services Proprietary Limited, registration number 2010/010415/07, a private company incorporated in accordance with the laws of South Africa, a wholly owned subsidiary of Velocity Trade International Limited (UK);
"Vodacom Group"	Vodacom Group Limited, registration number 1993/005461/06, a public company incorporated in accordance with the laws of South Africa;
"Vodacom SA"	Vodacom (Proprietary) Limited, registration number 1993/003367/07, a private company incorporated in accordance with the laws of South Africa;
"Vodacom SA BEE Transaction"	the 2008 broad-based BEE transaction with an aggregate value of R7,500,000,000 (seven billion five hundred million Rand), in terms of which, <i>inter alia</i> , YeboYethu acquired 3.44% of the shares in Vodacom SA;
"Vodacom SA Shares"	shares in Vodacom SA's share capital;
"YeboYethu"	YeboYethu Limited, registration number 2008/014734/06, a public company incorporated in accordance with the laws of South Africa;
"YeboYethu BEE Contract"	the contract referred to in the Own-Broker Trading Process Terms and Conditions which an Eligible Person is required to enter into with Vodacom SA, Vodacom Group and the relevant Market Participants should he/she/it choose to hold, purchase and/or transfer YeboYethu Ordinary Shares in accordance with the Own-Broker Process (this is a bespoke contract required in respect of the YeboYethu Ordinary Shares and is distinct from the agreement referred to in the Listings Requirements as a "BEE contract");
"YeboYethu Board" or "YeboYethu Directors"	the board of directors of YeboYethu, as constituted;
"YeboYethu N Shares"	means compulsorily convertible "N" shares with a par value of R0.00001 each in the share capital of YeboYethu bearing the rights set out in the Existing YeboYethu MOI;
"YeboYethu N Shareholders"	registered holders of YeboYethu N Shares;
"YeboYethu Ordinary Shareholders"	registered holders of YeboYethu Ordinary Shares;
"YeboYethu Ordinary Shares"	ordinary shares with a par value of R0.00001 each in the share capital of YeboYethu, bearing the rights set out in the Existing YeboYethu MOI;
"YeboYethu shareholders"	the registered holders of YeboYethu Shares; and
"YeboYethu Shares"	YeboYethu Ordinary Shares and YeboYethu N Shares.



Incorporated in South Africa
(Registration number 2008/014734/06)
("YeboYethu")

Circular to YeboYethu shareholders

Directors:

Non-executive: ZBM Bassa (Chairman), AM Hall, V Jarana, D Konar, SM Radebe, TC Ralebitso

1. Purpose of the circular

The purpose of this circular is to provide YeboYethu shareholders with background information regarding the general meeting and to explain the necessity for YeboYethu to convene the general meeting and propose the resolutions set out in the Notice of general meeting.

This circular also explains what steps YeboYethu shareholders will be required to take in connection with the general meeting and what the consequences will be if all the proposed resolutions are passed at the general meeting. The notice of general meeting is attached to, and forms part of, this circular.

The main purpose of the general meeting is to consider and, if deemed fit, adopt resolutions that will enable the listing of the YeboYethu Ordinary Shares on the JSE BEE segment. These resolutions:

- approve amendments to the Existing YeboYethu MOI required by the JSE's Listings Requirements;
- authorise YeboYethu to provide the indemnity required by the JSE;
- authorise YeboYethu to replace the YeboYethu Ordinary Share certificates to allow for electronic trading on the JSE (and, where YeboYethu Ordinary Shareholders elect to not have their share certificates replaced in this manner, to replace such share certificates so that they comply with the JSE's Listings Requirements); and
- approve amendments to the Existing YeboYethu MOI to bring it into line with the Prospectus, insofar as such relates to the share terms of the shares held by Vodacom SA's employee share scheme (the YeboYethu N Shares) and the ESOP respectively.

2. Background

Vodacom SA BEE Transaction

YeboYethu was established in 2008 as a special purpose vehicle to provide the Black Public (including Black Business Partners) with an opportunity to participate in the ownership of Vodacom SA.

14.4 million YeboYethu Ordinary Shares were offered at R25 each to the Black Public and Black Business Partners of Vodacom SA pursuant to the initial public offering in 2008. As a result of the public offer, approximately 102,000 qualifying black investors became YeboYethu Ordinary Shareholders. YeboYethu was, at the time of the implementation of the Vodacom SA BEE Transaction, one of South Africa's largest empowerment schemes in the telecommunications industry. The Vodacom SA BEE Transaction, valued at approximately R7.5 billion, was concluded as part of Vodacom SA's on-going efforts to further its BEE objectives in South Africa, and in particular, resulted in YeboYethu owning up to 3.44% of Vodacom SA.

For the avoidance of doubt, YeboYethu **does not** own nor have any beneficial interests in nor rights to Vodacom Group shares.

In the same transaction in which YeboYethu acquired its 3.44% in Vodacom SA, Royal Bafokeng Holdings (Proprietary) Limited (through RBH-CO) acquired 1.97% in Vodacom SA and Thebe Investment Corporation (Proprietary) Limited (through Thebe-CO) acquired 0.84% in Vodacom SA (these transactions together, being the Vodacom SA BEE Transaction).

Together with the Black Public, eligible employees of, among others, Vodacom SA were also provided with an opportunity to participate in the ownership of Vodacom SA through YeboYethu. These employees participate through the ESOP, which in turn holds shares in YeboYethu. As the terms upon which the ESOP acquired ownership in YeboYethu were different to the terms upon which the Black Public acquired their ownership, the ESOP holds a different class of shares in YeboYethu, namely the YeboYethu N Shares. These shares, until converted in accordance with their terms, do not participate in any distributions declared by YeboYethu. In all other respects they are the same as the shares acquired by the Black Public (the YeboYethu Ordinary Shares).

Trading in YeboYethu Ordinary Shares (the OTC Trading Platform)

During the first five years following the Implementation Date, YeboYethu shareholders were not allowed to trade, except in limited circumstances. Following the conclusion of this period, in order to facilitate permitted trading in YeboYethu shares between Eligible Persons for the remainder of the Lock-In Period, YeboYethu commenced operation of the OTC Trading Platform on 3 February 2014.

The Lock-In Period is still in effect and will terminate on October 2018. For the remainder of the Lock-In Period, the holding, buying, selling and otherwise transferring of YeboYethu Ordinary Shares remains restricted as contemplated under the Transaction Agreements. There will be no restrictions on the sale or Encumbrance of YeboYethu shares after the expiration of the Lock-In Period.

Change in the regulatory regime

Following a period of public consultation which commenced in December 2013, the FSB issued a final directive on 11 July 2014, which required companies providing infrastructure to facilitate trading in their own shares (i.e. by way of OTC platforms) to:

- change their operating models and methodologies such that they no longer render the functions of an exchange;
- list on a licensed stock exchange;
- apply for an exchange licence in accordance with the FM Act;
- obtain the appropriate exemption from the FSB; or
- terminate such infrastructure.

This directive applied to YeboYethu and the trading on the OTC Trading Platform and, as such, required that the Board determine how to continue to facilitate trading in YeboYethu Ordinary Shares in light of such directive. Pending such determination, the YeboYethu Ordinary Shares have been trading on the OTC Trading Platform pursuant to a temporary exemption which YeboYethu obtained from the FSB, which temporary exemption has been extended from time to time.

After considering various alternatives, the YeboYethu Board has, in light of the change in the regulatory regime, determined that YeboYethu will pursue a listing of the YeboYethu Ordinary Shares on the JSE BEE segment.

3. The BEE Listing

The main rationale for implementing the BEE Listing is to provide the YeboYethu Ordinary Shareholders with regulatory certainty regarding their ability to continue trading in YeboYethu Ordinary Shares during the Lock-In Period and thereafter. As a result of regulatory changes implemented by the FSB in 2014, it will no longer be possible to continue trading YeboYethu Ordinary Shares on the OTC Trading Platform without YeboYethu seeking an exchange licence.

The BEE Listing will provide the YeboYethu Ordinary Shareholders with the following main additional advantages:

- an anticipated enhanced liquidity in comparison to the OTC Trading Platform due to the wider access buyers and sellers will have to professional broking services of JSE Members;
- easier price discovery as JSE prices are published in most major print and electronic financial publications; and
- increased investor protection as a result of:
 - the JSE being a regulated market;
 - the segregation of duties between order taking, matching, settlement and custody of securities and cash;
 - monitoring of insider trading and price manipulation; and
 - monitoring of false and misleading reporting.

Certain key additional consequences of the BEE Listing include:

- YeboYethu being required, in terms of the Listings Requirements, to indemnify the JSE and certain Market Participants;
- Bulk Dematerialised Shareholders will, unless and until they take steps to transfer their YeboYethu shares into their own name, have to obtain letters of representation from the Custody Entity (or such other Nominee which holds their Dematerialised Shares) if they wish to attend and vote in respect of their YeboYethu shares at General Meetings of YeboYethu;
- it will be necessary for any YeboYethu Ordinary Shareholder or Eligible Person who wishes to buy, sell, otherwise transfer or receive transfer of YeboYethu Ordinary Shares to complete the BEE Verification process and become a BEE Verified Person. The manner of BEE Verification will depend on whether the relevant person wishes to use
 - the Standard Trading Process, being the process facilitated by and subsidised by YeboYethu;
 - the Own-Broker Trading Process (in which case relevant Market Participants will need to be appointed, such as a JSE Member and a Nominee to provide custody services); or
 - the Off-Market Transfers Process. Where a BEE Verified Person wishes to buy, sell, otherwise transfer or receive transfer of Ordinary Shares by way of an Off-Market Transfer, they must do so in terms of the YeboYethu Off-Market Transfers Process; and
- where Market Participants are appointed by a BEE Verified Person, they will levy charges which the BEE Verified Person will be liable for.

Subject to the resolutions set out in the notice of general meeting being duly approved by YeboYethu shareholders at the general meeting, YeboYethu intends to issue a pre-listing statement, in compliance with the Listings Requirements of the JSE, for the purpose of providing information to the public with regards to YeboYethu and the BEE Listing.

4. Change of Transfer Secretaries and Appointment of BEE Verification Agent

Notification is hereby given in terms of this circular that YeboYethu intends to change transfer secretaries from the current Transfer Secretaries, Singular Systems Proprietary Limited, to Link Market Services with effect from 18 July 2016. YeboYethu shareholders are also advised that Velocity has been appointed with effect from 18 July 2016, as the BEE Verification Agent and preferred service provider to assist YeboYethu with the BEE Verification of Eligible Persons and shall assist YeboYethu shareholders with trading their YeboYethu Shares on the BEE Segment.

5. Bulk Dematerialisation

YeboYethu Ordinary Shares are currently held in certificated form, in safe custody with the Transfer Secretaries. The JSE does not permit trading in securities which are held in certificated form. In order to trade securities on the JSE, the JSE requires securities to be held in dematerialised form.

Accordingly, it is proposed that YeboYethu Ordinary Shares currently held in certificated form be dematerialised by way of a Bulk Dematerialisation. The Bulk Dematerialisation will enable YeboYethu Ordinary Shareholders to trade their YeboYethu Ordinary Shares on the JSE. Undertaking a process of Bulk Dematerialisation will require the passing of appropriate resolutions by the YeboYethu shareholders. It is anticipated that the YeboYethu Ordinary Shares will be listed as Asset Backed Securities on the BEE Segment on the BEE Listing Date.

The process and consequences of Bulk Dematerialisation of YeboYethu Ordinary Shares is set out in paragraph 6 below. YeboYethu Ordinary Shareholders are entitled to elect not to participate in the Bulk Dematerialisation and retain their YeboYethu Ordinary Shares in Certificated form. The details of this election (the YeboYethu Ordinary Shareholders making this election referred to as the Election Shareholders) is set out in paragraph 7.

Furthermore, YeboYethu will have to change its own systems, processes and documentary requirements to enable YeboYethu Ordinary Shareholders to access trading in a JSE environment, while retaining the ability of YeboYethu Ordinary Shareholders to place their buy or sell orders through the call centre and website operated by the Trading Entity.

YeboYethu will notify YeboYethu shareholders of the anticipated BEE Listing Date by no later than the 15th business day prior to such anticipated date.

6. Process for and consequences of Bulk Dematerialisation of YeboYethu Ordinary Shares

In order to implement the Bulk Dematerialisation the following steps will occur on or prior to the BEE Listing Date (as more fully set out in paragraph 7 this will not apply to those YeboYethu Ordinary Shares held by those YeboYethu shareholders who elect not to participate in the Bulk Dematerialisation (ie the Election Shareholders)):

- the certificates for YeboYethu Ordinary Shares currently held in safe custody by the Transfer Secretaries will be released from safe custody and will be endorsed as being dematerialised;
- the YeboYethu Ordinary Shares will be transferred into the name of the Nominee as the registered holder. This transfer will not affect the beneficial ownership of the YeboYethu Ordinary Shares; and
- entries will be made in the YeboYethu sub-register reflecting the registered holder of YeboYethu Ordinary Shares which are subject to the Bulk Dematerialisation as the Nominee. The YeboYethu Ordinary Shareholder who is the beneficial owner will be recorded on a sub-sub-register (also commonly known as a nominee register).

The YeboYethu Ordinary Shares will be Dematerialised into the name of the Nominee acting as the nominee of each Bulk Dematerialised Shareholder on the BEE Listing Date. YeboYethu Ordinary Shareholders wishing to dematerialise into a different CSDP after the BEE Listing Date, must contact their CSDP for guidance through the process and applicable costs.

After the Bulk Dematerialisation, the beneficial owner of Dematerialised YeboYethu Ordinary Shares will remain unchanged as to his/her/its:

- voting rights, except that in order to exercise them, they will, unless and until they take steps to transfer their YeboYethu Ordinary Shares into their own name, be required to obtain letters of representation from the Custody Entity (or such Nominee which holds their YeboYethu Ordinary Shares) if they wish to attend and vote in respect of their YeboYethu Ordinary Shares at general meetings of YeboYethu. Having regard to this, YeboYethu will procure that the Nominee will be available at all general meetings of YeboYethu to issue such letters of representation immediately prior to the meetings so

long as the YeboYethu Ordinary Shares are held by the Nominee as the registered holder, on behalf of the relevant YeboYethu Ordinary Shareholders;

- rights to dividends. In the event that YeboYethu declares and pays a dividend, such dividend will be paid to the Custody Entity (or such other Nominee which holds their YeboYethu Ordinary Shares) as the registered holder and it will in turn pay each beneficial owner their dividend into their nominated bank account;
- right to sell their YeboYethu Ordinary Shares to BEE Verified Persons through the JSE, save that they (i) have to appoint a JSE Member to do this for them if using the Own-Broker Trading Process; or (ii) use the Standard Trading Process, unless the transaction is done Off-Market. Conversely, it will be necessary for any BEE Verified Person who wishes to acquire YeboYethu Ordinary Shares On-Market to (i) appoint a JSE Member to do this for them if using the Own-Broker Trading Process or (ii) use the Standard Trading Process; and
- right to sell their YeboYethu Ordinary Shares to a BEE Verified Person Off-Market, save that they will have to use the Off-Market Transfers Process. Conversely, it will be necessary for any BEE Verified Person who wishes to acquire YeboYethu Ordinary Shares Off-Market to use the Off-Market Transfers Process.

YeboYethu Ordinary Shareholders wishing to participate in the Bulk Dematerialisation need take no action to achieve the Bulk Dematerialisation as their YeboYethu Ordinary Shares will automatically be dematerialised.

The proposed amendments to the Existing YeboYethu MOI will have the effect that each Bulk Dematerialised Shareholder agrees to be bound by the provisions of the STRATE rules and directives as regards their Bulk Dematerialisation Shares.

For the avoidance of doubt, the proposed Bulk Dematerialisation is only in relation to YeboYethu Ordinary Shares. YeboYethu N shares will continue to be held in certificated form and YeboYethu N Shareholders do not have a right to participate in the Bulk Dematerialisation.

7. Election not to participate in the Bulk Dematerialisation

A YeboYethu Ordinary Shareholder can elect not to participate in the Bulk Dematerialisation and to instead retain their YeboYethu Ordinary Shares in Certificated form. In order to elect not to participate in the Bulk Dematerialisation, a form of election can be obtained from the Transfer Secretaries, which form of election must be returned to the Transfer Secretaries by no later than the Election End Date. Any YeboYethu Ordinary Shareholder who wishes to exercise the option not to participate in the Bulk Dematerialisation need not wait until the general meeting to make this election, but may do so after receiving this circular.

A YeboYethu Ordinary Shareholder who has elected not to participate in the Bulk Dematerialisation will continue to have the share certificates in respect of their YeboYethu Ordinary Shares be held by the Transfer Secretaries in safe custody.

New YeboYethu Ordinary Share certificates, reflecting the JSE alpha code and ISIN applicable to the YeboYethu Ordinary Shares, will be issued in respect of each Election Shareholder. These certificates will be handed to the Transfer Secretaries, and the existing YeboYethu Ordinary Share certificates in the possession of the Transfer Secretaries will be of no value, force or effect from the BEE Listing Date.

The Election Shareholder will, unless and until they take steps to dematerialise their YeboYethu Ordinary Shares, be entitled to attend and vote (whether in person or by proxy) in respect of their YeboYethu Ordinary Shares at General Meetings of YeboYethu.

An Election Shareholder will have the option to dematerialise their YeboYethu Ordinary Shares at any time in the future. It is only after an Election Shareholder has dematerialised their YeboYethu Ordinary Shares, that they will be able to trade on the BEE Segment of the JSE.

8. Replacement of YeboYethu Ordinary Share Certificates

YeboYethu will be required to replace the YeboYethu Ordinary Share certificates held by Election Shareholders (or any subsequent YeboYethu Ordinary Shareholder which holds YeboYethu Ordinary Shares in Certificated form) in order to comply with the Listings Requirements. Ordinary resolution number 1 would have the effect of approving the replacement of the existing YeboYethu Ordinary Share certificates held by the Election Shareholders with new share certificates reflecting the JSE alpha code and ISIN applicable to the YeboYethu Ordinary Shares, and the Transfer Secretaries will continue to hold the new share certificates in custody in accordance with the provisions of the New YeboYethu MOI.

9. Indemnities to be Granted by YeboYethu

As YeboYethu has elected to pursue the BEE Listing subject to the use of a BEE Verification Agent, YeboYethu (as issuer) is required, in terms of the Listings Requirements to grant certain indemnities in favour of the JSE and relevant Market Participants in accordance with and subject to the limitations and qualifications in the Listings Requirements.

In addition to the indemnities required to be given by YeboYethu pursuant to the Listings Requirements, YeboYethu may be required contractually to give other indemnities in favour of its service providers for purposes of and in connection with the BEE Listing, and to any other person for purposes of establishing, implementing and facilitating the infrastructure required for, or incidental to the BEE Listing. Additionally, the operation of the Own-Broker Trading Process, the Off-Market Transfers Process and the Standard Trading Process (the latter being operated by the Trading Entity and the Custody Entity), together with the BEE Verification Agent, will entail a degree of facilitation or subsidisation by YeboYethu from a cost point of view. The operation of the Standard Trading Process, in particular, is aimed at ensuring an accessible entry point for the bulk of the YeboYethu shareholders within the JSE's listed trading environment.

10. Financial Assistance

YeboYethu will be required to grant the indemnities referred to in paragraph 9 and other financial assistance, which may be classified as YeboYethu providing financial assistance for the purpose of, or in connection with, the acquisition of YeboYethu shares within the meaning of section 44 of the Companies Act. Special resolution number 2 would have the effect of approving the financial assistance for the purpose of, or in connection with, the acquisition of YeboYethu shares within the meaning of section 44 of the Companies Act.

11. The New YeboYethu MOI

YeboYethu proposes that shareholders approve the adoption of a New YeboYethu MOI in substitution for the Existing YeboYethu MOI, which New YeboYethu MOI *inter alia* includes provisions to facilitate (i) the Bulk Dematerialisation, (ii) compliance by YeboYethu with the Listings Requirements, (iii) certain other technical changes to cater for the BEE Listing, (iv) approve amendments to the Existing YeboYethu MOI to bring it into line with the Prospectus, insofar as such relates to the share terms of the shares held by Vodacom SA's employee share scheme (the YeboYethu N Shares) and the ESOP respectively, and (v) consequential amendments and clarifications required in this regard. A summary of the salient changes to the Existing MOI is set out in Annexure 1 to this circular and a copy of the full New YeboYethu MOI is available for inspection at the registered address of YeboYethu. Special resolution number 1 would have the effect of approving the adoption of the New YeboYethu MOI in substitution for the Existing YeboYethu MOI.

12. General meeting

- (i) Attached to this circular is a notice of general meeting (set out in Annexure 2) to be held at 10:00 on Wednesday 29 June 2016 in the Dome, Vodacom World, 082 Vodacom Boulevard, Midrand, Johannesburg, South Africa for the purposes of considering and, if deemed fit, passing (with or without modification) the resolutions as set out in the notice of general meeting;
- (ii) Important notes about the general meeting (set out in Annexure 3)
- (iii) YeboYethu shareholders who are unable to attend the general meeting and wish to be represented thereat must complete and return the attached form of proxy (blue) (set out in Annexure 4) to the Transfer Secretaries to be received by no later than 10:00 on Tuesday 28 June 2016; and
- (iv) For further information relating to the action required by YeboYethu shareholders, please see the section "Action required by YeboYethu shareholders" commencing on page 2 of this circular.

13. Documents available for inspection

Copies of the following documents will be available on the website of YeboYethu (<https://www.yeboyethu.co.za>) and for inspection from the Transfer Secretaries on 011 321 5563 (standard call rates) or 082 241 0001 (toll free from your Vodacom cellphone), yeboyethu@equityexpress.co.za or at 71 Corlett Drive, Birnam, 2196 during normal business hours on business days, from the date of issue of this circular up to and including the date of the general meeting.

- the Existing YeboYethu MOI;
- the New YeboYethu MOI; and
- a signed copy of this circular.

For and on behalf of

THE YEBOYETHU BOARD

ZBM BASSA

Chairman

Friday 27 May 2016

Summary of the changes to the existing YeboYethu MOI

Unless otherwise apparent from the context, the definitions and interpretations commencing on page 4 of the circular to which this Annexure 1 is attached apply mutatis mutandis throughout this Annexure 1.

Theme	Brief description of changes
Ring-fencing YeboYethu	<p>As a consequence of listing YeboYethu Ordinary Shares as Asset Backed Securities, YeboYethu will only be empowered to hold Vodacom SA Shares. YeboYethu may however continue to hold any other asset held by it on the BEE Listing Date for a limited period determined by the YeboYethu Board. Accordingly, YeboYethu will be ring-fenced.</p> <p>The JSE requires that YeboYethu does not undertake any other business activities except for holding the Vodacom SA Shares. In order to protect the interests of the YeboYethu shareholders, the YeboYethu Board have limited the powers and objects of YeboYethu by inserting restrictive provisions in the New YeboYethu MOI.</p> <p>The amendments to the affected clauses therefore cater for new restrictions imposed on YeboYethu particularly with regards to its powers and objects and the disposal of the Vodacom SA Shares.</p>
Providing for a new trading mechanism through the BEE Listing	<p>The main rationale for implementing the BEE Listing is to provide the YeboYethu Ordinary Shareholders with regulatory certainty regarding their ability to continue trading in YeboYethu Ordinary Shares during the Lock-In Period. As a result of regulatory changes implemented by the FSB in 2014, it will no longer be possible to continue trading YeboYethu Ordinary Shares on the OTC Trading Platform without seeking an exchange licence.</p> <p>The YeboYethu Board has determined that YeboYethu will pursue a listing of the YeboYethu Ordinary Shares as Asset Backed Securities on the BEE Segment.</p> <p>The amendments to the affected clauses therefore cater for the new trading mechanism that will be established pursuant to (i) the Listings Requirements, the JSE Equities Rules and Directives and the STRATE rules and directives; and (ii) the BEE Listing.</p>
Bulk Dematerialisation	<p>YeboYethu Ordinary Shares are currently held in Certificated form in the custody of the Transfer Secretaries. The JSE does not permit trading in securities which are in Certificated form but requires them to be in dematerialised form.</p> <p>Therefore, in order to make the YeboYethu Ordinary Shares easily accessible for trading in the JSE environment, they are required to be held in Dematerialised form and consequently the Existing YeboYethu MOI will have to be amended in contemplation of the BEE Listing. The amendments also have the effect that each Bulk Dematerialised Shareholder agrees to be bound by the provisions of the STRATE rules and directives in respect of his/her/its Bulk Dematerialisation Shares.</p> <p>Due to the Bulk Dematerialisation, certain clauses in the Existing YeboYethu MOI have to be amended. This is to make provision for the fact that some YeboYethu Ordinary Shares will be held in dematerialised form, as the Existing YeboYethu MOI currently only permits such shares to be held in certificated form.</p> <p>The amendments to the affected clauses therefore cater for the holding of YeboYethu Ordinary Shares in either certificated or dematerialised form, subject to the custody requirements set out in the New YeboYethu MOI.</p>
Amendment to the formula contained in Schedule 1 of the Existing YeboYethu MOI	<p>Amendment to the formula contained in Schedule 1 of the Existing YeboYethu MOI, to give effect to the intention relating to the shares held by the ESOP (the YeboYethu N Shares) set out on page 35 of the Prospectus. Specifically, the original intention was that the ESOP will, after Vodacom SA's repurchase of a portion of the Vodacom SA Shares held by YeboYethu and the consequent repurchase by YeboYethu of a portion of the YeboYethu Shares held by the ESOP, hold that percentage shareholding in YeboYethu as is equal to the ESOP A Shares (as defined in the Existing YeboYethu MOI) held by YeboYethu, as a percentage of all Vodacom SA Shares held by it.</p> <p>The proposed amendment ensures that this new formula accords with the original intention.</p>



Incorporated in South Africa
(Registration number 2008/014734/06)
("YeboYethu")

Notice of general meeting

Unless otherwise apparent from the context, the definitions and interpretations commencing on page 4 of the circular to which this notice of general meeting is attached apply *mutatis mutandis* throughout this notice of general meeting.

Notice is hereby given to all YeboYethu shareholders that a general meeting of YeboYethu shareholders will be held at 10:00 on Wednesday 29 June 2016 in the Dome, Vodacom World, 082 Vodacom Boulevard, Midrand, Gauteng, South Africa to consider and, if deemed fit, pass with or without modification, the following ordinary and special resolutions:

1. **SPECIAL RESOLUTION NUMBER 1 – amendments to the YeboYethu Memorandum of Incorporation**
"RESOLVED THAT, in terms of section 16(1)(c)(i)(aa) as read with section 16(5)(a) of the Companies Act, the Existing YeboYethu MOI be and is hereby amended by replacing it in its entirety with the New YeboYethu MOI initialled by the Chairman of the Board for purposes of identification, with effect from the date of filing of the New YeboYethu MOI with the Companies and Intellectual Property Commission."
2. **SPECIAL RESOLUTION NUMBER 2 – financial assistance provided by YeboYethu Limited**
"RESOLVED THAT, to the extent required by section 44 of the Companies Act, the Board may (but is not required or compelled to), subject to compliance with the memorandum of incorporation of YeboYethu and the Companies Act, authorise YeboYethu to provide direct or indirect financial assistance (as contemplated in section 44 of the Companies Act) in connection with the purchase of YeboYethu Ordinary Shares, in the context of the indemnity required by the JSE in terms of paragraph 4.32A and 4.32B of the Listings Requirements. This authority will endure for a period of two years from the date of this special resolution."
3. **ORDINARY RESOLUTION NUMBER 1 – replacement of YeboYethu Ordinary Share certificates**
"RESOLVED THAT, if the YeboYethu Ordinary Shares are listed on the JSE, YeboYethu is authorised to the extent necessary, to instruct the Transfer Secretaries to replace the share certificates of the YeboYethu Ordinary Shares held by the Election Shareholders (or any subsequent YeboYethu Ordinary Shareholder which holds YeboYethu Ordinary Shares in Certificated form) with new share certificates reflecting the JSE alpha code and ISIN applicable to YeboYethu Ordinary Shares (and reflecting such other information as may be necessary to comply with the Listings Requirements) and to hold the new share certificates in custody in accordance with the provisions of the New YeboYethu MOI."

Record date

The record date in terms of section 62(3)(a), read with section 59 of the Companies Act for shareholders to be recorded in the securities register of YeboYethu in order to be entitled to attend, participate in and vote at the general meeting is Wednesday 22 June 2016.

Participation by way of electronic means

YeboYethu shareholders or their proxies may participate in the general meeting by way of electronic means. Such YeboYethu shareholder (or proxy) will need to contact Mr Lebogang Mogoane at Vodacom on +27 11 653 5922 by no later than 09:00 Wednesday 22 June 2016 so that YeboYethu can provide for a teleconference dial-in-facility. Teleconference facilities will be made available for this purpose, and may be accessed at the YeboYethu shareholder's cost. YeboYethu shareholders must ensure that, when such shareholder intends to participate via teleconference, that the voting proxies are sent through to the Transfer Secretaries, Singular Systems (Proprietary) Limited, by no later than 10:00 Tuesday 28 June 2016.

Voting and proxies

YeboYethu shareholders are entitled to attend, speak and vote at the general meeting.

YeboYethu shareholders may appoint a proxy to attend, speak and vote in their stead. A proxy need not be a shareholder of YeboYethu.

In accordance with best practice, voting shall be by ballot only.

Special resolutions to be adopted at this general meeting require approval from 75% of the shares represented in person or by proxy at this meeting. Ordinary resolutions to be adopted only require approval of a simple majority.

YeboYethu shareholders who are unable to attend the general meeting and wish to be represented thereat must complete the Form of proxy enclosed in accordance with the instructions therein and lodge it with or mail it to the Transfer Secretaries. Forms of proxy (which form may be found enclosed) should be forwarded to reach the Transfer Secretaries, Singular Systems (Proprietary) Limited by no later than 10:00 Tuesday 28 June 2016.

The completion of the form of proxy does not preclude any shareholders attending the general meeting.

In accordance with the Companies Act, shareholders attending the general meeting will need to present reasonable satisfactory identification such as an identity book, passport or drivers' licence.

For and on behalf of

THE YEBOYETHU BOARD

ZBM BASSA

Chairman

Friday 27 May 2016

Important notes about the general meeting

The definitions and interpretations commencing on page 4 of this circular to which this notice of general meeting is attached apply, changed as necessary, to this Annexure 3.

Date: Wednesday 29 June 2016

Venue: The Dome, Vodacom World, 082 Vodacom Boulevard, Midrand, Gauteng, South Africa (refer to the map and directions included)

Time: The general meeting will start promptly at 10:00.

Shareholders are hereby advised that a short information session will be held, starting promptly at 08:30, informing YeboYethu shareholders of the proposed resolutions to be passed at the general meeting. Vodacom staff will direct YeboYethu shareholders to the general meeting.

Admission and registration

YeboYethu shareholders attending the general meeting are asked to register at the registration desk in the foyer area at the venue. Registration will be open from 08:00 until 09:45 and YeboYethu shareholders are requested to arrive early to allow sufficient time to complete the registration. Any YeboYethu shareholders that arrive late will be entitled to sign in as visitors but will not be entitled to vote.

YeboYethu shareholders and proxies may be required to provide proof of identity. A South African identity document or identity card issued by the South African Department of Home Affairs, a driving licence or a valid passport will be accepted at the general meeting as sufficient identification.

Map to Vodacom World





Incorporated in South Africa
 (Registration number 2008/014734/06)
 ("YeboYethu")

Form of proxy

Unless otherwise apparent from the context, the definitions and interpretations commencing on page 4 of the circular to which this form of proxy is attached apply mutatis mutandis throughout this form of proxy.

This form of proxy is for use by registered shareholders of YeboYethu who are unable to attend the general meeting of YeboYethu to be held at 10:00 on Wednesday 29 June 2016 at the Dome, Vodacom World, 082 Vodacom Boulevard, Midrand, Johannesburg, Gauteng.

For assistance in completing the form of proxy, please contact the Transfer Secretaries on 011 321 5563 (standard call rates) or 082 241 0001 (toll free from your Vodacom cellphone). A shareholder entitled to attend and vote at the general meeting may appoint one or more proxies to attend, vote and speak in his/her/its stead at the general meeting. A proxy need not be a shareholder of YeboYethu but must be an individual.

I/We (full name/s in BLOCK LETTERS):

with identity number/registration number:

of (address):

being the holder(s) of YeboYethu Ordinary Shares/YeboYethu N Shares (delete inapplicable), hereby appoint (see note 1):

1. _____ or failing him/her
2. _____ or failing him/her
3. the chairman of YeboYethu or failing her the chairman of the general meeting, as my/our proxy to attend speak and vote for me/us and on my/our behalf or to abstain from voting at the general meeting of YeboYethu and at any adjournment or postponement thereof, as follows:

	NUMBER OF ORDINARY SHARES		
	For	Against	Abstain
Special resolution number 1 – Replacement of Existing YeboYethu MOI			
Special resolution number 2 – Financial assistance provided by YeboYethu			
Ordinary resolution number 1 – Replacement of YeboYethu Ordinary Share certificates			

Mark with an X whichever is applicable. Unless otherwise directed, the proxy will vote or abstain as he/she thinks fit in respect of the shareholder's total holding. The proxy may also vote or abstain in respect of any other business proposed at the general meeting as he/she thinks fit.

Any shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and to vote in his/her stead. The proxy so appointed need not also be a shareholder but must be an individual.

Signed at _____ on _____ 2016

Full name(s) (in BLOCK LETTERS)

Signature/s

Address:

Assisted by (guardian) _____ on _____ 2016

If signing in a representative capacity, see the notes on the reverse side hereof.

Please read the notes and instructions on the reverse side hereof.

Notes:

1. A YeboYethu shareholder may insert the name of a proxy or the names of 2 (two) alternate proxies of the YeboYethu shareholder'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 general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A YeboYethu Shareholder should insert an "X" in the relevant space according to how they wish their votes to be cast. However, if a YeboYethu shareholder wishes to cast a vote in respect of a lesser number of YeboYethu Shares than they own in the company, they should insert the number of YeboYethu Shares held in respect of which they wish to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the general meeting as he/she deems fit in respect of all the YeboYethu shareholders' votes exercisable at the general meeting. A YeboYethu shareholder is not obliged to use all the votes exercisable by the YeboYethu shareholder, but the total of the votes cast and abstentions recorded may not exceed the total number of the votes exercisable by the YeboYethu shareholder.
3. The completion and lodging of this form of proxy will not preclude the relevant YeboYethu Shareholder from attending the general meeting and speaking and voting in person to the exclusion of any proxy appointed in terms hereof, should such member wish to do so.
4. The chairman of the general meeting may reject or accept any form of proxy, which is completed and/or received, other than in compliance with these notes.
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, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by YeboYethu or waived by the chairman of the 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 YeboYethu 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 securities register will be accepted.
10. Forms of Proxy should be lodged at or posted to the Transfer Secretaries, Singular Systems (Proprietary) Limited, 71 Corlett Drive, Birnam 2196 (PO Box 1266, Bramley 2018) to be received by no later than 24 (twenty four) hours prior to the general meeting, being 10:00 on Tuesday 28 June 2016. Should the form of proxy not be delivered to the Transfer Secretaries by this time, you will be required to furnish a copy of such form of proxy to the chairman of the General Meeting before the appointed proxy exercises any of your shareholder rights at the general meeting (or any adjournment or postponement thereof).

Summary of rights contained in section 58 of the Companies Act

In terms of section 58 of the Companies Act:

- a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
- a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;
- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise;
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Act or such company's Memorandum of Incorporation to be delivered to a shareholder must be delivered by such company to:
 - the relevant shareholder; or
 - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so; and
- if a company issues an invitation to its shareholders to appoint 1 (one) or more persons named by the company as a proxy, or supplies a form of proxy instrument:
 - the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised;
 - the invitation or form of proxy instrument supplied by the company must:
 - bear a reasonably prominent summary of the rights established in section 58 of the Act;
 - contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name and, if desired, an alternative name of a proxy chosen by the shareholder; and
 - provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting;
 - the company must not require that the proxy appointment be made irrevocable; and
 - the proxy appointment remains valid only until the end of the meeting at which it was intended to be used.

YeboYethu Limited

Vodacom Corporate Park
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Midrand 1685



YEBOYETHU

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