

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this document apply to the entire document.

Action required

1. The entire document is important and should be read with particular attention to the section entitled "Action required by shareholders" on page 2 of this document.
2. If you are in any doubt as to the action that you should take, please consult your broker, CSDP, banker, legal or tax adviser, accountant or other professional adviser immediately.
3. If you have disposed of all your shares, this document should be handed to the purchaser of such shares or the broker, CSDP or other agent through whom such disposal was effected.



OMNIA HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1967/003680/06)

JSE code: OMN ISIN: ZAE000005153

CIRCULAR TO OMNIA SHAREHOLDERS

relating to:

- **the sale by OGI of the ExecCo Stake to ExecCo, comprising a 5% stake in OG;**
- **the sale by OGI of the Sakhile II Stake to Sakhile II, comprising a maximum of a 5% stake in OG, over a period of up to three years, including the Sakhile II 1st Tranche which comprises a 2% stake in OG;**

and incorporating:

- **a notice of general meeting of Omnia shareholders; and**
- **a form of proxy in respect of the general meeting of Omnia shareholders (for use by holders of certificated shares and holders of dematerialised shares with "own name" registration only (blue)).**

All the directors, whose names are set out on page 10 of this document, collectively and individually, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this document contains all information required by law and the Listings Requirements.

Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited, which is regulated by the Listings Requirements in its capacity as sponsor to Omnia, is acting for Omnia and no one else in relation to the preparation of this document and will not be responsible to anyone other than Omnia in relation to the preparation of this document.

Corporate Advisor



Sponsor and Independent Expert



Corporate Finance

Independent Reporting Accountants



PricewaterhouseCoopers Inc
Chartered Accountants (SA)
Registered Accountants and Auditors
(Registration no 1998/012055/21)

Attorneys



**TUGENDHAFT WAPNICK BANCHETTI
AND PARTNERS**

Independent Valuation Expert



Deloitte & Touche
Registered Auditors

Date of issue: 26 November 2009

This document is available in English only. Copies of this document may be obtained from the registered office of Omnia and the office of the transfer secretaries, the addresses of which are set out in the "Corporate information" section of this document.

CORPORATE INFORMATION

Registered office

Omnia Holdings Limited
Omnia House, Epsom Downs Office Park
13 Sloane Street
Epsom Downs
Bryanston, 2021
(PO Box 69888, Bryanston, 2021)

Date of incorporation

10 April 1967

Place of incorporation

South Africa

Corporate Advisor

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Independent Reporting Accountants

PricewaterhouseCoopers Inc
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Independent Valuation Expert

Deloitte & Touche
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Sponsor and Independent Expert

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(Proprietary) Limited
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Attorneys

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Sandton, 2196
(PO Box 786728, Sandton, 2146)

Transfer secretaries

Link Market Services South Africa
(Proprietary) Limited
(Registration number 2000/007239/07)
11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 4 of this document apply to this section.

This circular is important and requires your immediate attention. If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, accountant, attorney or other financial advisor.

If you have disposed of your Omnia shares, this circular should be handed to the purchaser of such Omnia shares or the broker, CSDP or other agent who disposed of your Omnia shares for you.

Please take careful note of the following provisions regarding the action required by Omnia shareholders.

1. VOTING AND ATTENDANCE AT THE GENERAL MEETING

A general meeting of Omnia shareholders will be held at 09:00 on Friday, 11 December 2009 at the registered office of Omnia being Omnia House, Epsom Downs Office Park, 13 Sloane Street, Epsom Downs, Bryanston, 2021, to vote on the ordinary resolutions set out in the notice of general meeting attached to this circular.

1.1 If you have dematerialised your Omnia shares other than with “own-name” registration

1.1.1 Voting at the general meeting

Your broker or CSDP should contact you to ascertain how you wish to cast your vote at the general meeting and thereafter will cast your vote in accordance with your instructions.

If you have not been contacted by your broker or CSDP, it would be advisable for you to contact your broker or CSDP and furnish it with your voting instructions.

If your broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your broker or CSDP.

You must **not** complete the attached form of proxy for the general meeting (blue).

1.1.2 Attendance and representation at the general meeting

In accordance with the mandate between you and your broker or CSDP, you must advise your broker or CSDP if you wish to attend the general meeting and your broker or CSDP will issue the necessary letter of representation to you to attend the general meeting.

1.2 If you have not dematerialised your Omnia shares or if you have dematerialised your Omnia shares with “own-name” registration

1.2.1 Voting and attendance 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 to represent you at the general meeting by completing the attached form of proxy for the general meeting (blue) in accordance with the instructions it contains and return it to the transfer secretaries of Omnia at Link Market Services South Africa (Proprietary) Limited, 11 Diagonal Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) to be received by no later than 09:00 on Wednesday, 9 December 2009.

1.2.2 If you hold certificated shares and wish to dematerialise such shares, please contact your broker or CSDP.

IMPORTANT DATES AND TIMES

The definitions and interpretations commencing on page 4 of this document apply to this section on important dates and times.

2009

Circular posted to shareholders on	Thursday, 26 November
Last day to lodge forms of proxy for the general meeting by 09:00 on	Wednesday, 9 December
General meeting to be held at 09:00 on	Friday, 11 December
Results of general meeting published on SENS on	Friday, 11 December
Results of general meeting published in the press on	Monday, 14 December

Notes:

1. These dates and times are subject to change. Any such change will be published on SENS and in the press. Any reference to time is a reference to South African time.
2. If the general meeting is adjourned or postponed, forms of proxy must be received by no later than 48 hours prior to the time of the adjourned or postponed general meeting, provided that, for the purpose of calculating the latest time by which forms of proxy must be received, Saturdays, Sundays and gazetted public holidays in South Africa will be excluded.

DEFINITIONS AND INTERPRETATIONS

In this document, unless context indicates otherwise, the words in the column on the left below shall have the meaning stated opposite them in the column on the right below and related expressions shall bear corresponding meanings, reference to the singular shall include the plural and *vice versa*, words denoting one gender include the other and words and expressions denoting natural persons include juristic persons and associations of persons:

"A Loan"	the interest bearing loan owing by OG to Sakhile with a current value of approximately R160 million;
"ABSA"	ABSA Bank Limited (Registration number 1986/004794/06), a public company duly incorporated and registered in South Africa;
"Aggregate Loan Outstandings"	means, on any day, the aggregate loan outstandings of the A Loan, the B Loan, the portion of the B Loan acquired in the ExecCo Stake and the portions of the B Loan acquired in the Sakhile II Stake, at that date;
"B Loan"	the loan advanced by OGI to OG, with a current value of approximately R1.1 billion, bearing interest at the Johannesburg Interbank Agreed Rate plus 1.8%;
"B Preference Shares"	cumulative redeemable preference shares in OG with a capital redemption value of R1.5 billion held by OGI;
"BEE"	broad based black economic empowerment as defined in the Broad-Based Black Economic Empowerment Act, No. 53 of 2003;
"BJM Corporate Finance"	Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited (Registration number 2000/023249/07), a private company duly incorporated and registered in South Africa;
"board" or "board of directors" or "directors"	board of directors of Omnia from time to time and for the time being;
"business day"	any day other than a Saturday, Sunday or gazetted public holiday in South Africa;
"certificated shareholders"	shareholders who hold Omnia shares that have not been dematerialised, title to which is represented by a share certificate or other physical document of title;
"CIPRO"	Companies and Intellectual Property Registration Office;
"this circular" or "this document"	this bound document, dated on or about 26 November 2009, including the attached annexures, notice of general meeting and form of proxy;
"Companies Act"	Companies Act, 1973 (Act 61 of 1973), as amended;
"CSDP"	Central Securities Depository Participant, being a "participant" as defined in section 1 of the Securities Services Act, 2004 (Act 36 of 2004), as amended;
"dematerialise" or "dematerialisation"	the process whereby physical share certificates or other documents of title have been validated and cancelled by the transfer secretaries and captured onto the Strate system by the selected broker or CSDP and the shareholding is recorded electronically;

“dematerialised shareholders”	shareholders who hold Omnia shares which have been dematerialised in terms of the requirements of Strate;
“documents of title”	share certificates, certified transfer deeds, balance receipts or any other documents of title to Omnia shares;
“effective date”	effective date of the Transactions, being the 3rd (third) business day following the Sale Agreements becoming unconditional, which is expected to be before Friday, 18 December 2009;
“ExecCo”	Nanotron Investments (Proprietary) Limited (Registration number 2009/009177/07), a private company duly registered and incorporated in South Africa and owned by the ExecCo Shareholders;
“ExecCo B Class Share”	a class B ordinary share in the share capital of ExecCo the terms and conditions of which are detailed in Annexure 5 to this circular;
“ExecCo NAV Formula”	the formula depicted as Formula 3 in Annexure 8 to this circular, which is used to calculate the value of an ordinary share in ExecCo owned at a particular date;
“ExecCo Purchase Consideration”	the total purchase consideration in terms of the ExecCo Sale Agreement, which comprises a cash consideration of R133 541 673 (one hundred and thirty-three million, five hundred and forty-one thousand, six hundred and seventy-three Rand);
“ExecCo Sale Agreement”	the Sale Agreement concluded on 27 August 2009 between OGI, ExecCo and OG governing, <i>inter alia</i> , the terms and conditions of the ExecCo Transaction;
“ExecCo Shareholders”	individuals nominated by the directors of ExecCo and approved by Omnia and Omnia, as holder of the ExecCo B Class Share;
“ExecCo Stake”	30 ordinary shares held by OGI in OG, which constitute 5% of the entire issued ordinary share capital of OG and all of OGI’s rights, title and interest in and to a portion of the B Loan (the initial contractual value of which will not exceed R141 500 000 (one hundred and forty-one million five hundred thousand Rand)), as is required to return a “Yield to Maturity” (as defined in section 24J(1) of the Income Tax Act, 1962) equal to the Yield to Maturity of the financing obtained from a financial institution as is necessary to enable the ExecCo Purchase Consideration (excluding the portion of the ExecCo Purchase Consideration assigned to the purchase of the shares) to be paid;
“ExecCo Transaction”	the sale by OGI of the ExecCo Stake to ExecCo for the ExecCo Purchase Consideration;
“Executives”	the ExecCo Shareholders, excluding Omnia;
“First Share Purchase Schedule”	the Share Purchase Schedule included as an appendix to the Sakhile II Sale Agreement and concluded on 27 August 2009 between OGI, Sakhile II and OG for the sale of Sakhile II 1st Tranche;
“form of proxy”	form of proxy (blue) attached to and forming part of this circular (for use only by certificated shareholders and dematerialised shareholders with “own name” registration);
“general meeting”	general meeting of Omnia shareholders to be held at 09:00 on Friday, 11 December 2009 at the registered office of Omnia, being Omnia House, Epsom Downs Office Park, 13 Sloane Street, Epsom Downs, Bryanston, 2021;

“the Group”	Omnia and its subsidiaries from time to time;
“the JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the laws of South Africa, which is licensed as an exchange under the Securities Services Act, 2004 (Act 36 of 2004), as amended;
“last practicable date”	Monday, 23 November 2009, being the last practicable date prior to the finalisation of this circular;
“Listings Requirements”	Listings Requirements of the JSE as at the date of this circular;
“market capitalisation”	the volume weighted average traded price at which Omnia shares traded on the JSE for a period of 30 (thirty) consecutive trading days prior to the day on which the market capitalisation is calculated, multiplied by the total number of Omnia shares in issue on the date of such calculation, provided that in the determination of such volume weighted average traded price, Off Market Trades shall be disregarded;
“N Preference Shares”	“N” preference shares in the authorised share capital of ExecCo to be subscribed for by the Executives for an aggregate amount of R10 million (ten million Rand);
“Net Fair Asset Value of ExecCo”	<p>the net fair asset value of all the assets of ExecCo, if:</p> <ul style="list-style-type: none"> – such assets are a cash shell or a property company, the value of such assets shall be the net asset value of such cash shell and/or property company; or – such assets are cash or deposits held with an external third party, the face value thereof; or – such asset is a loan, including any portion of shareholders’ loans in OG, the face value thereof; or – such asset is ordinary shares held by ExecCo in OG, the value thereof calculated in accordance with the OG Equity Valuation Formula; or – such assets are listed investments, the listed market value thereof; or – such assets are any asset other than those referred to above, the value of those assets shall be determined on the basis of an appropriate discounted cash flow method, <p><i>less</i></p> <ul style="list-style-type: none"> – all the liabilities of ExecCo;
“Net Fair Asset Value of OGI”	<p>the net fair asset value of all the assets of OGI, if:</p> <ul style="list-style-type: none"> – such assets are a cash shell or a property company, the value of such assets shall be the net asset value of such cash shell and/or property company; or – such assets are cash or deposits held with an external third party, the face value thereof; or – such assets are listed investments, the listed market value thereof; or – such assets are Z Preference Shares held in OG, the redemption value thereof (as set out in the relevant preference share terms); or

- such assets are any asset other than those referred to above, the value of those assets shall be determined on the basis of an appropriate discounted cash flow method,

excluding,

- any ordinary shares and B Preference Shares held by OGI in OG and/or Sakhile and/or Sakhile II and/or ExecCo; and
- the outstanding portion of the B Loan,

less

- all the liabilities of OGI;

“Net Fair Asset Value of Omnia”

the net fair asset value of all the assets of Omnia, if:

- such assets are a cash shell or a property company, the value of such assets shall be the net asset value of such cash shell and/or property company; or
- such assets are cash or deposits held with an external third party, the face value thereof; or
- such assets are listed investments, the listed market value thereof; or
- such asset is the Sakhile Preference Share held in Sakhile, the redemption value thereof (as set out in the relevant preference share terms); or
- such assets are any other assets, other than those referred to above, the value of those assets shall be determined on the basis of an appropriate discounted cash flow method,

excluding,

- any shares held by Omnia in OGI and/or OG and/or Sakhile and/or ExecCo and/or Sakhile II,

less

- all the liabilities of Omnia;

“Net Fair Asset Value of Sakhile II”

the net fair asset value of all the assets of Sakhile II, if:

- such assets are a cash shell or a property company, the value of such assets shall be the net asset value of such cash shell and/or property company; or
- such assets are cash or deposits held with an external third party, the face value thereof; or
- such asset is a loan, including any portion of shareholders' loans in OG, the face value thereof; or
- such asset is ordinary shares held by Sakhile II is OG, the value thereof calculated in accordance with the OG Equity Valuation Formula; or
- such assets are listed investments, the listed market value thereof; or
- such assets are any asset other than those referred to above, the value of those assets shall be determined on the basis of an appropriate discounted cash flow method,

less

- all the liabilities of Sakhile II;

“Off Market Trades”	a transaction pursuant to which Omnia Shares are traded other than through the order book of the JSE but such transaction is settled through the JSE’s settlement systems;
“OG”	Omnia Group (Proprietary) Limited (Registration number 2006/013996/07), a private company and subsidiary of Omnia duly registered and incorporated in accordance with the laws of South Africa;
“OG Equity Valuation Formula”	the formula depicted as Formula 2 in Annexure 8 to this circular, which is used to calculate the value of an ordinary share in OG owned at a particular date;
“OG Valuation Formula”	the formula depicted as Formula 1 in Annexure 8 to this circular, which is used to calculate the value of a percentage stake in OG being purchased at a particular date;
“OGI”	Omnia Group Investments Limited (Registration number 1964/003371/06), a public company and subsidiary of Omnia duly registered and incorporated in accordance with the laws of South Africa;
“Omnia” or “the Company”	Omnia Holdings Limited (Registration number 1967/003680/06), a public company duly registered and incorporated in South Africa, the shares of which are listed on the JSE;
“Omnia shares” or “shares”	ordinary shares of no par value in the issued share capital of Omnia;
“Omnia shareholders” or “shareholders”	holders of Omnia shares;
“Sakhile”	Sakhile Initiative Limited (Registration number 2006/029291/06), a public company duly registered and incorporated in South Africa;
“the Sakhile Transaction”	the acquisition by Sakhile of a 10% interest in the equity and loans of OG from OGI in terms of a sale of shares agreement concluded on or about 1 April 2007, as announced on SENS on 18 June 2007;
“Sakhile Preference Share”	the cumulative, redeemable, non-participating preference share in the share capital of Sakhile;
“Sakhile II”	Sakhile Initiative 2 (Proprietary) Limited (Registration number 2009/009274/07) previously, African Dune Investments 262 (Proprietary) Limited, a private company duly incorporated in accordance with the laws of South Africa;
“Sakhile II 1st Tranche”	12 ordinary shares held by OGI in OG, which constitutes 2% of the entire issued ordinary share capital of OG and OGI’s rights, title and interest in and to a portion of the B Loan (the initial contractual value of which will not exceed R57 800 000 (fifty-seven million, eight hundred thousand Rand)), as is required to return a “Yield to Maturity” (as defined in section 24J(1) of the Income Tax Act, 1962) equal to the Yield to Maturity of the financing obtained from a financial institution as is necessary to enable the Sakhile II 1st Tranche Purchase Consideration (excluding the portion of the Sakhile II 1st Tranche Purchase Consideration assigned to the purchase of the shares) to be paid;

“Sakhile II 1st Tranche Purchase Consideration”	the total purchase consideration for the Sakhile II 1st Tranche in terms of the Sakhile II Sale Agreement, which comprises a cash consideration of R53 416 669 (fifty-three million, four hundred and sixteen thousand, six hundred and sixty-nine Rand);
“Sakhile II B Class Share”	a B class ordinary share with a par value of R1.00 (one Rand) in the ordinary share capital of Sakhile II which share confers on its holder the rights detailed in Annexure 7 to this circular;
“Sakhile II Sale Agreement”	the Sale Agreement concluded on 27 August 2009 between OGI, Sakhile II and OG governing, <i>inter alia</i> , the terms and conditions of the Sakhile II Transaction;
“Sakhile II Stake”	a maximum of 30 ordinary shares held by OGI in OG, which constitutes 5% of the entire issued ordinary share capital of OG and OGI’s rights, title and interest in and to a concomitant portion of the B Loan;
“the Sakhile II Transaction”	the sale by Omnia of the Sakhile II 1st Tranche in OG from OGI to Sakhile II for the Sakhile II 1st Tranche Purchase Consideration and the sale of additional tranches to a maximum of 3% in OG from OGI to Sakhile II over a period of up to three years from the effective date;
“Sale Agreements”	collectively the ExecCo Sale Agreement and the Sakhile II Sale Agreement;
“SENS”	Securities Exchange News Service of the JSE;
“Share Purchase Schedule”	a share purchase schedule included as an appendix to the Sakhile II Sale Agreement to be completed and concluded between OGI, Sakhile II and OG for the sale of each tranche of the Sakhile II Stake;
“South Africa”	Republic of South Africa;
“Strate”	Strate Limited (Registration number 1998/022242/06), a public company duly registered and incorporated in South Africa, which is a registered CSDP in terms of the Security Services Act, 2004 (Act 36 of 2004), as amended;
“trading days”	any day on which trading takes place through the usual trading systems of the JSE;
“Transactions”	collectively, the ExecCo Transaction and the Sakhile II Transaction;
“transfer secretaries”	Link Market Services South Africa (Proprietary) Limited (Registration number 2000/007239/07), a private company duly registered and incorporated in South Africa, being the transfer secretaries of Omnia;
“VWAP”	volume weighted average price; and
“Z Preference Shares”	“Z” preference shares in the authorised share capital of OG held by OGI, with a current redemption value of approximately R174 million.



OMNIA HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1967/003680/06)

JSE code: OMN ISIN: ZAE000005153

Board of directors

N J Crosse (*Chairman*), F D Butler, D L Eggers* (*Group Finance Director*), N K H Fitz-Gibbon* (*Group Commercial Director*), R Havenstein, H H Hickey, R B Humphris* (*Group Managing Director*), Prof S S Loubser, Dr W T Marais, R R Masebelanga* (*Group Legal & Business Development Director*), D C Radley, T R Scott

* Executive

CIRCULAR TO OMNIA SHAREHOLDERS

1. INTRODUCTION

Shareholders are referred to the announcement released on SENS on 8 September 2009 and published in the press on 9 September 2009 regarding the Transactions.

The purpose of this circular is to provide Omnia shareholders with relevant information regarding the Transactions and to convene a general meeting of Omnia shareholders to consider and, if deemed fit, pass, with or without modification, the ordinary resolutions required, as set out in the notice of general meeting attached to and forming part of this circular, in order to approve the Transactions, should they deem fit.

In terms of the notice of general meeting which forms part of this circular, a general meeting of Omnia shareholders is convened to be held at 09:00 on Friday, 11 December 2009 at the registered office of Omnia, being Omnia House, Epsom Downs Office Park, 13 Sloane Street, Epsom Downs, Bryanston, 2021, at which meeting the ordinary resolutions authorising the Transactions will be proposed for consideration.

2. BACKGROUND

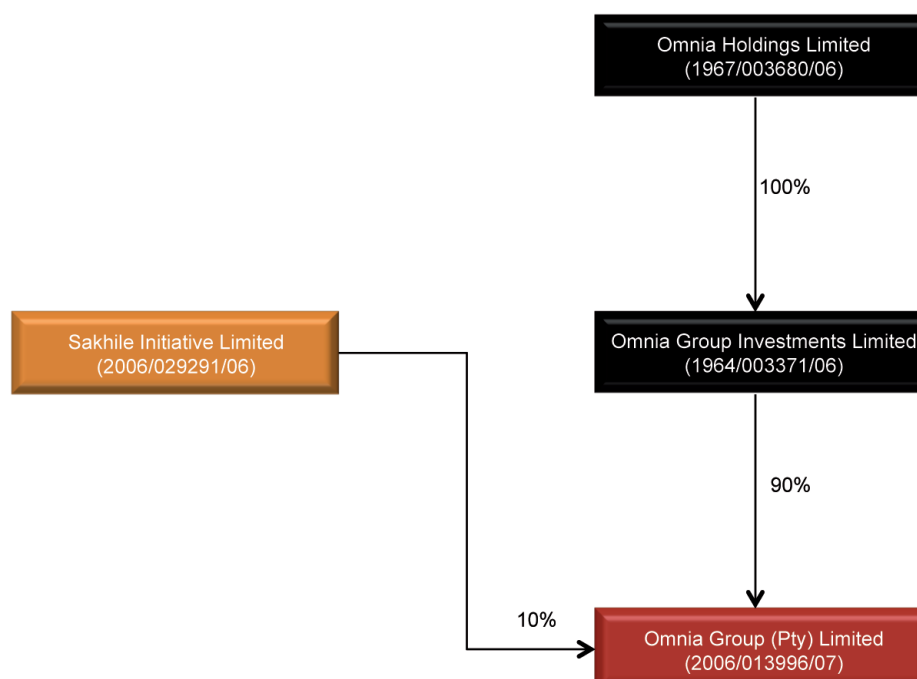
Shareholders are aware that Omnia has implemented Executive Participation Plans titled "Partnership with Management" spanning 3 successive 5 financial year periods over the last 15 years. Shareholders were advised on SENS on 28 July 2009 of the successful conclusion to the "Third Partnership with Management Plan" which covered the 5 financial years to March 2009. Omnia wishes to implement, subject to shareholder approval, the ExecCo Transaction as the Executive Participation Plan to cover the next 5 years.

In line with Omnia's stated commitment to BEE and employee ownership, Omnia wishes to also implement, subject to shareholder approval, the Sakhile II Transaction as an incentive scheme to enable Omnia to retain current and recruit future talented black board members, executives and employees.

In 2007, Omnia gave effect to an internal restructuring and divisionalisation transaction. The capital structure put in place as part of that transaction was used by Omnia to initiate the sale of a 10% effective interest in OG to Sakhile, a public company formed and owned by the employees of the Group.

Please refer to Figure 1 below for a diagram of the Group structure prior to the Transactions contemplated in this circular.

Figure 1 – Group structure prior to the Transactions



3. OG CAPITAL STRUCTURE AND STAKES BEING SOLD

OG houses all of the South African operating divisions of Omnia and is the holding company for all other subsidiaries. OG therefore represents the Omnia operations in their entirety.

Omnia Group's three divisions include:

- Chemicals Division: distributor of speciality, functional and effect chemicals and polymers in southern Africa. The division operates from 21 sites and has a presence in every sector of the broader chemical distribution market.
- Mining Division: the leading supplier of explosives, associated products, value added services and mining chemicals to the South African open-cast and underground mining and quarrying industries. It has operations in southern and western Africa. Trading as Bulk Mining Explosives (BME) and Protea Mining Chemicals, it has successfully developed a new generation of electronic detonator and is in the process of commercialising a new shocktube initiation system.
- Agriculture Division: produces granular, liquid and speciality fertilisers and distributes to individual farmers, co-operatives and wholesalers throughout southern Africa, Australia and New Zealand. Exports, an area of growth for Omnia, are also made to Europe, South America and Asia.

OG's capital structure attributable to shareholders comprises ordinary share capital, preference share capital (the B Preference Shares and the Z Preference Shares) and interest bearing shareholders' loans (the A Loan and the B Loan).

In terms of the ExecCo Sale Agreement, ExecCo will acquire the ExecCo Stake from OGI, which represents 5% of the current value of OG and which comprises ordinary shares and a portion of the B Loan.

In terms of the Sakhile II Sale Agreement and the First Share Purchase Schedule, Sakhile II will acquire the Sakhile II 1st Tranche from OGI, which represents 2% of the current value of OG and which comprises ordinary shares and a portion of the B Loan. The board intends to sell the remainder of the Sakhile II Stake in further tranches, which comprise a maximum additional stake equal to 3% of the value of OG, to Sakhile II over a period of up to three years from the effective date, at values to be determined as at the relevant date of the sale of each tranche, on the same basis used to determine the value of the Sakhile II 1st Tranche.

4. THE EXECCO TRANSACTION

4.1 Introduction

The board has long recognised the need for significant management ownership participation within the Group and believe that the Group's success is related to the excellence and long-term dedication of its key management personnel. The board also believes that an effective partnership arrangement between the shareholders of Omnia and management enhances the wealth of the Group. The "partnership with management" concept requires that key managers should be both financially at risk and should have their fortunes tied to those of the Group for a period of no less than 5 years. The board realises that the growth and success of the Group is greatly enhanced by virtue of this commitment by management.

Accordingly, the board proposes the ExecCo Transaction, whereby the Executives will effectively buy-in to OG at the fair value of OG. The ExecCo Transaction effectively achieves the goal of creating a symbiotic partnership with the current management team for the 2010 to 2014 financial years, which will result in the Executives gaining financially based on the performance of the Group as detailed below.

The board has set a performance target for the Executives to achieve a real compound growth rate of 8% per annum for the financial years 2010 to 2014, off a profit after tax base of R383 million for the 2009 financial year. At the time of the release of the results for the 2009 financial year, the board advised shareholders that the 2009 results were exceptional and not likely to be repeated in the 2010 financial year, but that Omnia was more likely to revert to its long-term growth trend in the financial years 2010 to 2014. On the basis that the 2009 results were exceptional and taking into account Omnia's long-term growth trend, the board decided upon a profit after tax base of R383 million for the purposes of calculating the performance target for the financial years 2010 to 2014.

4.2 Details of the ExecCo Transaction

The ExecCo Transaction contemplates the purchase by ExecCo of a 5% stake in OG, comprising ordinary shares and a portion of the B Loan, from OGI at the fair value of OG. The initial contract value of the portion of the B Loan sold will not exceed R141 500 000.

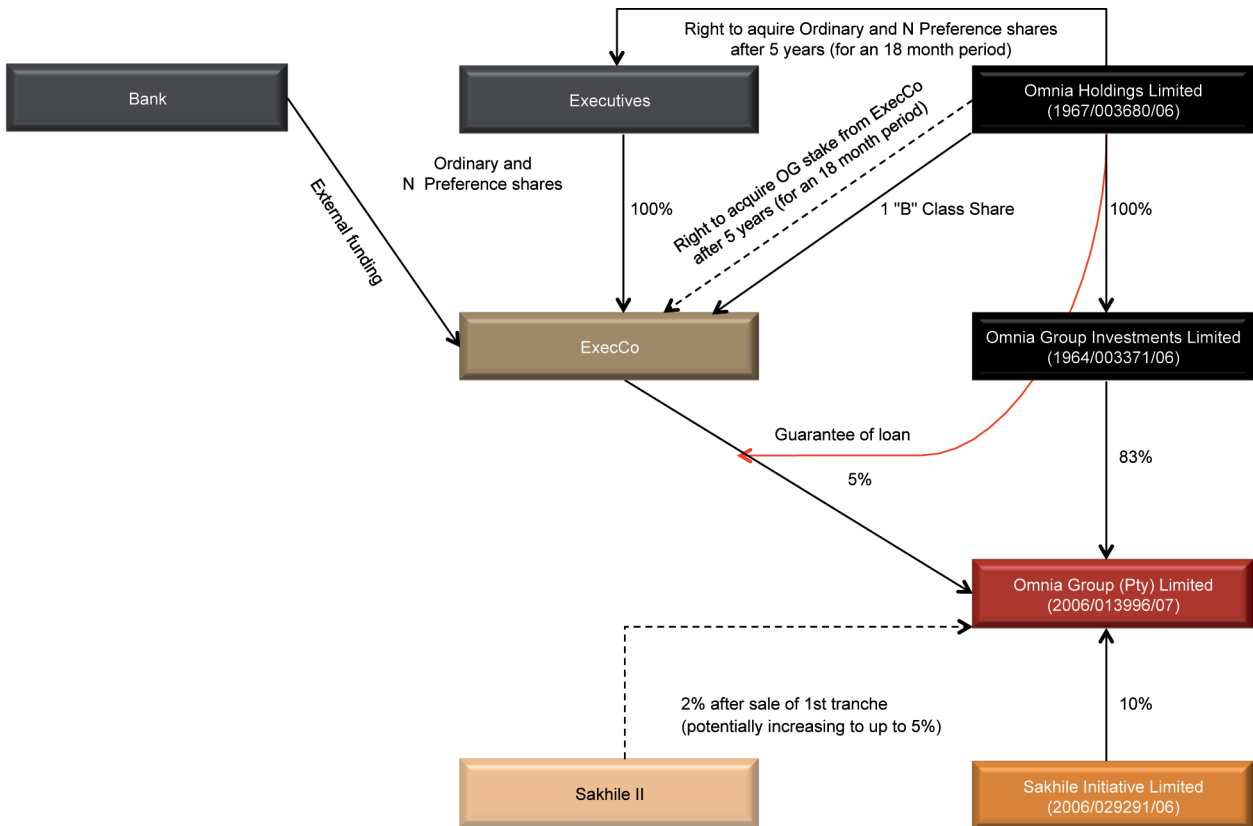
The Group structure post the ExecCo Transaction is depicted in Figure 2 below.

The value of the 5% stake being acquired was determined on 27 August 2009 being the signature date of the ExecCo Sale Agreement in accordance with the "OG Valuation Formula", included as Formula 1 in Annexure 8 to this circular, which calculates the value of OG with reference to the market capitalisation of Omnia after taking into account the effective shareholding of Omnia in OG and deducting the Net Fair Asset Values of Omnia and OGI. The VWAP of an Omnia share determined in terms of the OG Valuation Formula was R56,21.

The settlement of the ExecCo Purchase Consideration will be funded through a combination of the Executives' personal funds, introduced into ExecCo as R10 million of N Preference Shares, and a loan provided by a bank. The proceeds received by OGI from the ExecCo Purchase Consideration will be utilised to reduce short-term debt facilities of the Group.

In order to reduce the cost of funding of the loan to be obtained by ExecCo from a bank, which in turn has a positive effect on the quantum of B Loan to be sold by OGI to ExecCo, Omnia has guaranteed to ExecCo the repayment by OG of the portion of the B Loan to be acquired by it.

OG has agreed to provide accounting, secretarial and other managerial services to ExecCo for a fee of R150 000 per annum in terms of a management agreement entered into between OG and ExecCo.

Figure 2 – Group structure post the ExecCo Transaction and the sale of the Sakhile II 1st Tranche

4.3 The ExecCo call options

Omnia will have the right to purchase either the ExecCo Stake or the ordinary and N Preference Shares in ExecCo for a period of 18 months, commencing after a period of 5 years from 30 June 2009. Omnia (or its nominee) shall therefore be entitled to exercise either of these call options at any time during the period 1 July 2014 to 31 December 2015, subject to the approval by any bank to which the ExecCo Stake has been pledged as security.

Should Omnia exercise its right to acquire the ExecCo Stake or the ordinary and N Preference Shares in ExecCo, as the case may be, the requisite regulatory approvals will be obtained.

The purchase price of the balance of any remaining shareholders' loans sold shall be the face value of those loans at the date that the call option is exercised.

Should Omnia exercise the option to acquire the ExecCo Stake, the purchase price per OG ordinary share sold shall be determined in accordance with the "OG Equity Valuation Formula", included as Formula 2 in Annexure 8 to this circular for reference purposes, which calculates the value of an OG ordinary share on the same basis as the value of OG is calculated using the OG Valuation Formula.

Should Omnia exercise the option to acquire the ordinary and N Preference Shares in ExecCo, the purchase price of the N Preference Shares shall be the redemption price thereof (determined in accordance with their specific terms and conditions) and the purchase price of the ordinary shares shall be determined in accordance with the “ExecCo NAV Formula”, included as Formula 3 in Annexure 8 to this circular for reference purposes, which calculates the value of the ExecCo ordinary shares with reference to the net asset value of ExecCo attributable to the ordinary shareholders.

The exercise price of the abovementioned call options will be settled by an issue of Omnia shares, the quantum of which will be determined on the relevant exercise date based on the 30-day VWAP of Omnia shares.

4.4 ExecCo B Class Share

ExecCo will issue a class B ordinary share to Omnia, which will confer certain rights to Omnia, including a percentage of any ordinary dividends distributed by ExecCo, which is the mechanism through which the potential financial gain by the Executives as ordinary shareholders in ExecCo is reduced or increased, dependant on whether the actual performance is less than or more than the targeted 8% real growth. The ExecCo B Class Share’s dividend will be determined having regard to the year-on-year cumulative real growth rate in Omnia’s consolidated after tax earnings for the financial years 2010 to 2014 *vis-à-vis* the target as set by the board and as outlined in 4.1 above.

Below is a summary of how the ExecCo B Class Share’s dividend will be determined should the actual performance be higher or lower than the target real growth rate of 8%:

- a real rate of growth of 8% will result in 30% of any distributable reserves, which will essentially represent the growth in value of the ExecCo Stake acquired, distributed by ExecCo to all classes of ordinary shareholders, being passed to Omnia by way of a dividend so that the Executives will effectively then share in 70% of the growth in the value of the ExecCo Stake acquired by ExecCo;
- on the same basis as above, a real rate of growth of less than 5% will result in 100% of the growth in the value of the ExecCo Stake being passed to Omnia by way of a dividend so that the Executives will effectively then not share in any of the growth in the value of the ExecCo Stake acquired by ExecCo;
- a real rate of growth of between 5% and 8% will result in between 79% and 30% of the growth in the value of the ExecCo Stake being passed to Omnia by way of a dividend so that the Executives will effectively then share in between 21% and 70% of the growth in the value of the ExecCo Stake acquired by ExecCo, calculated on an exponential basis; and
- a real rate of growth of between 8% and 12% or greater will result in between 30% and 0% of the growth in the value of the ExecCo Stake being passed to Omnia by way of a dividend so that the Executives will effectively then share in between 70% and 100% of the growth in the value of the ExecCo Stake acquired by ExecCo, calculated on a linear basis.

The terms and conditions of the ExecCo B Class Share are more fully set out in Annexure 5 to this circular.

4.5 Rationale

The rationale for the ExecCo Transaction may be summarised as follows:

- The interests of the Executives are aligned with those of the shareholders of Omnia:
 - the ExecCo Transaction should increase the commitment of the Executives to Omnia, whilst also focusing them on achieving Omnia’s stated five year growth targets; and
 - the Executives are required to risk their own capital and will not earn any dividends on the capital they contribute until at least 30 June 2014;
- Omnia will receive fair value for the portion of OG disposed of as part of the ExecCo Transaction;

- Omnia’s consolidated capital structure will be improved with the term debt raised replacing short-term debt; and
- the ExecCo Transaction is cash neutral to the Group, other than for the estimated transaction costs.

5. THE SAKHILE II TRANSACTION

5.1 Introduction

In line with Omnia’s commitment to BEE and employee ownership, Omnia wishes to implement the Sakhile II Transaction that will result in the introduction of additional equity participation by black board members, executives and employees in the Group’s businesses.

Omnia intends to sell a stake, comprising ordinary shares and a portion of the B Loan, of up to 5% of the value in OG, from OGI to Sakhile II at the fair value of OG and in the manner described below.

Whilst the board contemplates the eventual sale of up to a maximum of 5% of the value in OG to Sakhile II over a period of up to 3 years from the effective date, the Sakhile II 1st Tranche contemplates the sale of a 2% stake in OG from OGI to Sakhile II. The initial contractual value of the portion of the B loan sold as part of the Sakhile II 1st Tranche will not exceed R57 800 000. Sales of the remaining 3% of OG from OGI to Sakhile II will be treated in accordance with the Listings Requirements and the Companies Act.

5.2 Details of the Sakhile II Transaction

The shareholders of Sakhile II, other than Omnia as the holder of the Sakhile II B Class Share, will be talented current and future black employees/executives of Omnia. A stake of up to 5% in OG will be sold to Sakhile II in tranches as and when appropriate black employees/executives are identified by Omnia as qualifying participants. The board is seeking approval for the sale of the Sakhile II 1st Tranche to Sakhile II and further approval to sell, at the board’s discretion, an additional stake of up to 3% in OG to Sakhile II during the period of up to 3 years from the effective date.

Sakhile II will issue the Sakhile II B Class Share to Omnia, which will confer certain rights to Omnia which are more fully described in Annexure 7 to this circular.

The value of the Sakhile II 1st Tranche Purchase Consideration was determined on 27 August 2009 being the signature date of the Sakhile II Sale Agreement in accordance with the “OG Valuation Formula”, included as Formula 1 in Annexure 8 to this circular, which calculates the value of OG with reference to the market capitalisation of Omnia after taking into account the effective shareholding of Omnia in OG and deducting the Net Fair Asset Values of Omnia and OGI. The VWAP of an Omnia share determined in terms of the OG Valuation Formula was R56,21.

The value for each subsequent tranche sold shall be determined as at the date of signature of each relevant Share Purchase Schedule in accordance with the OG Valuation Formula.

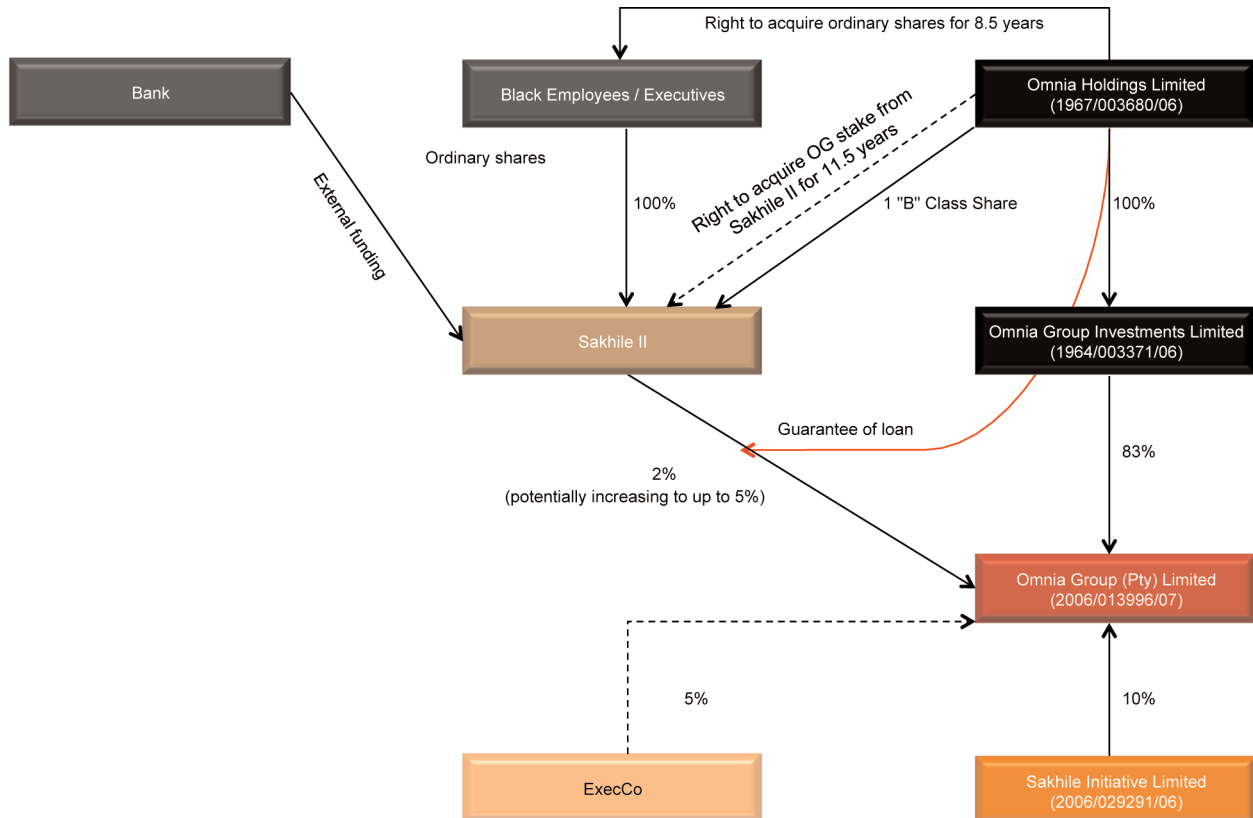
The settlement of the Sakhile II 1st Tranche Purchase Consideration will be funded entirely by a loan provided by a bank. The proceeds received by OGI from the Sakhile II 1st Tranche Purchase Consideration will be utilised to reduce short-term debt facilities of the Group.

In order to reduce the cost of funding of the loan to be obtained by Sakhile II from a bank, which in turn has a positive effect on the quantum of the B Loan to be sold by OGI to Sakhile II in each tranche, Omnia has guaranteed to Sakhile II the repayment by OG of the portion of the B Loan to be acquired by it.

OG has agreed to provide accounting, secretarial and other managerial services to Sakhile II for a fee of R150 000 per annum in terms of a management agreement entered into between OG and Sakhile II.

The Group structure post the sale of Sakhile II 1st Tranche is depicted in Figure 3 below.

Figure 3 – Group structure post the sale of the Sakhile II 1st Tranche and the ExecCo Transaction



5.3 The Sakhile II call options

Omnia will have the right to purchase either the Sakhile II Stake from Sakhile II over a period of 11.5 years, commencing from the Sakhile II effective date, or the ordinary shares in Sakhile II relating to a particular tranche sale for a period of 8.5 years, commencing from the relevant tranche sale effective date. Omnia (or its nominee) shall be entitled to exercise either of these call options at any time during the relevant option periods, subject to the approval by any bank to which the Sakhile II Stake has been pledged as security.

Should Omnia exercise its right to acquire the Sakhile II Stake or the ordinary shares in Sakhile II, as the case may be, the requisite regulatory approvals will be obtained.

The purchase price of the balance of any remaining shareholders' loans sold shall be the face value of those loans at the date that the call option is exercised.

Should Omnia exercise the option to acquire the Sakhile II Stake, the purchase price per OG share sold shall be determined in accordance with the "OG Equity Valuation Formula", included as Formula 2 in Annexure 8 to this circular for reference purposes, which calculates the value of an OG share on the same basis as the value of OG is calculated using the OG Valuation Formula.

Should Omnia exercise the option to acquire the ordinary shares in Sakhile II, the purchase price of the ordinary shares shall be determined in accordance with the "Sakhile II NAV Formula", included as Formula 4 in Annexure 8 to this circular for reference purposes, which calculates the value of the Sakhile II ordinary shares with reference to the net asset value of Sakhile II attributable to the ordinary shareholders.

The exercise price of the abovementioned call options will be settled by an issue of Omnia shares, the quantum of which will be determined on the relevant exercise date based on the 30-day VWAP of Omnia shares.

5.4 Future sales to Sakhile II

Shareholders are being requested to approve the sale of a stake of up to a maximum of 5% in OG, comprising ordinary shares and a portion of the B Loan, to Sakhile II over a period of up to 3 years. Any further sales to Sakhile II after the Sakhile II 1st Tranche of 2% will be advised to shareholders by means of a SENS announcement as and when the tranche sales occur.

Every future tranche sale by OGI to Sakhile II shall be subject to:

- Sakhile II obtaining finance from a bank on such terms and conditions as the directors of Sakhile II may deem appropriate;
- OGI approving the terms and conditions of the above finance to be obtained;
- the necessary regulatory approvals;
- the payment of the purchase price in respect of the applicable tranche sale.

The price at which the future sale tranches will occur will also be calculated in accordance with the OG Valuation Formula as at the date of signature of the relevant Share Purchase Schedule.

5.5 Rationale

The rationale for the Sakhile II Transaction may be summarised as follows:

- the purpose of the Sakhile II Transaction is to establish a share buy-in platform that will enable Omnia to retain current and recruit future talented black board members, executives and employees, which is considered to be critical, given the shortage of available black talent and skills at senior management and board levels;
- the Sakhile II Transaction will result in an improvement of Omnia's BEE scorecard, in respect of black ownership and black representation at senior management and board levels;
- the interests of the employees/executives will be aligned with those of the shareholders of Omnia, which should result in an increase in the commitment of the employees/executives to Omnia whilst also focusing them on achieving Omnia's stated five year growth targets;
- Omnia will receive fair value for the portion of OG disposed of as part of the Sakhile II Transaction;
- Omnia's consolidated capital structure will be improved with the term debt raised replacing short-term debt; and
- the Sakhile II Transaction is cash neutral to the Group other than for the estimated transaction costs.

6. RELATED PARTIES

6.1 ExecCo Transaction

Certain of the Executives are directors of various companies within the Group thereby making ExecCo a related party to Omnia as defined in the Listings Requirements. Each individual Executive shall not be allowed to acquire in excess of 17% of ExecCo (an effective 0.85% interest in OG). Accordingly, the ExecCo Transaction will be deemed a small related party transaction in terms of Section 10 of the Listings Requirements. The directors of Omnia and its subsidiaries that will participate in the ExecCo Transaction are R B Humphris, N K H Fitz-Gibbon, G C Brimacombe, A J De Lange, L J Du Plessis, F Hay, T E Grant, J D Moller, D J Mynhardt, H Prinsloo, A J Rorke, J J G Vermaak, DL van den Berg, R C Hennecke and A A Visser.

6.2 Sakhile II Transaction

Certain individuals participating in the Sakhile II 1st Tranche are black directors of various companies within the Group thereby making Sakhile II a related party to Omnia as defined in the Listings Requirements. Each individual shall not be allowed to participate in excess of 5% of Sakhile II (an effective 0.25% interest in OG). Accordingly, the Sakhile II Transaction will be deemed a small related party transaction in terms of Section 10 of the Listings Requirements. The directors of Omnia and its subsidiaries that will participate in the Sakhile II Transaction are RR Masebelanga, KS Keenan and GN Siyotula.

6.3 Aggregation

Omnia has appointed BJM Corporate Finance as independent expert. Their independent opinions are set out in Annexures 3 and 4 to this circular. In terms of the Listings Requirements the Transactions are required to be aggregated, thereby deeming the Transactions as a related party transaction in terms of the Listings Requirements.

Accordingly, for the purposes of the Listings Requirements, the resolutions approving the Transactions will be subject to a simple majority of the votes of Omnia shareholders, other than the related parties and their associates, being cast in favour of the resolution. The related parties and their associates will be taken into account in determining a quorum at the general meeting.

7. SUSPENSIVE CONDITIONS

7.1 ExecCo Transaction

The ExecCo Transaction remains subject to the following suspensive conditions:

- The loan agreement relating to the finance obtained by ExecCo from a bank for the part settlement of the ExecCo Purchase Consideration becoming unconditional;
- Omnia subscribing for the ExecCo B Class Share;
- Executives subscribing for the N Preference Shares and ExecCo receiving payment of the aggregate subscription price;
- ABSA, as funding provider to the Sakhile Transaction, approving the restatement agreement governing the amendment to the terms applicable to the remaining portion of the B Loan relating to the subordination thereof; and
- Omnia shareholders approving the ExecCo Transaction at the general meeting.

If the suspensive conditions are not fulfilled by 31 December 2009 (or such a later time and date as the parties may in writing agree), the ExecCo Sale Agreement shall be of no force or effect and neither party shall have any claim against the other arising therefrom.

7.2 Sakhile II Transaction

The Sakhile II Transaction remains subject to the following suspensive conditions:

- The loan agreement relating to the finance obtained by Sakhile II from a bank for the settlement of the Sakhile II 1st Tranche Purchase Consideration becoming unconditional;
- Omnia subscribing for the Sakhile II B Class Share;
- ABSA, as funding provider to the Sakhile Transaction, approving the restatement agreement governing the amendment to the terms applicable to the remaining portion of the B Loan relating to the subordination thereof; and
- Omnia shareholders approving the Sakhile II Transaction at the general meeting.

If the suspensive conditions are not fulfilled by 31 December 2009 (or such a later time and date as the parties may in writing agree), the Sakhile II Sale Agreement and the First Share Purchase Schedule shall be of no force or effect and neither party shall have any claim against the other arising therefrom.

8. UNAUDITED *PRO FORMA* FINANCIAL INFORMATION

8.1 *Pro forma* financial effects

The unaudited *pro forma* financial effects set out in this paragraph have been prepared to assist shareholders to assess the impact of the Transactions on the earnings per share, diluted earnings per share, headline earnings per share, diluted headline earnings per share, net asset value ("NAV") per share and tangible net asset value ("TNAV") per share and are based on the audited results for the year ended 31 March 2009.

The unaudited *pro forma* financial effects are the responsibility of the Omnia directors and have been prepared for illustrative purposes only. Due to their nature, the *pro forma* financial effects may not fairly present Omnia's financial position, changes in equity and results of operations or cash flows after the Transactions.

Per Omnia share	Before ¹	After ExecCo Transaction ²	Change %	After Sakhile II Transaction ³	After Sakhile II Transaction ⁴	Change %	<i>Pro forma</i> After the Transaction ⁵	Change %
Basic earnings	1 107	1 045	(5.6%)	1 103	1 097	(0.9%)	1 033	(6.7%)
Fully diluted earnings	1 062	988	(7.0%)	1 058	1 050	(1.1%)	975	(8.2%)
Headline earnings	1 114	1 052	(5.6%)	1 103	1 103	(1.0%)	1 040	(6.6%)
Fully diluted headline earnings	1 069	994	(7.0%)	1 058	1 056	(1.2%)	981	(8.2%)
Net asset value	4 821	4 837	0.3%	4 817	4 814	(0.1%)	4 830	0.2%
Tangible net asset value	3 656	3 672	0.4%	3 651	3 649	(0.2%)	3 665	0.2%
Weighted average shares ('000)	44 316	44 316		44 316	44 316		44 316	
Diluted weighted average shares ('000)	46 204	46 882		46 238	46 300		46 977	
Number of shares ('000)	44 370	44 370		44 370	44 370		44 370	

Notes: (Detailed notes are provided in Annexure 1)

- Based on the published audited annual financial statements of Omnia for the year ended 31 March 2009.
- Represents the unaudited *pro forma* financial effects of the ExecCo Transaction.
- Represents the unaudited *pro forma* financial effects of the Sakhile II Transaction assuming the sale of the first tranche, being 2% of the issued share capital in OG.
- Represents the unaudited *pro forma* financial effects of the Sakhile II Transaction assuming the sale of the maximum 5% of the issued share capital in OG.
- Represents the cumulative unaudited *pro forma* financial effects of the Transactions, assuming the sale of the maximum 5% of the issued share capital in OG within the Sakhile II Transaction.
- The effects on basic, fully diluted, headline and fully diluted headline earnings per share are based on the following assumptions:
 - the Transactions were effective 1 April 2008;
 - the proceeds from the Transactions are utilised to reduce short-term debt facilities which incurred interest at an average rate of 12.4% p.a.;
 - interest incurred on external borrowings of R257 million (ExecCo Transaction R123.5 million, Sakhile II Transaction R133.5 million (first tranche of 2% R53.4 million and additional maximum 3% tranche R80.1 million)) at an average rate of 9.7% p.a.; and
 - estimated transaction costs of R5.8 million.

7. The effects on net asset and tangible net asset value per share are based on the following assumptions:
- the Transactions were effective 31 March 2009;
 - the proceeds from the Transactions are utilised to reduce short-term debt facilities;
 - the Transactions are financed by external borrowings of R257 million (ExecCo Transaction R123.5 million, Sakhile II Transaction R133.5 million (first tranche of 2% R53.4 million and additional maximum 3% tranche R80.1 million)); and
 - estimated total transaction costs of R5.8 million.

8.2 Unaudited *pro forma* income statement and balance sheet

The unaudited *pro forma* income statement and balance sheet is presented in Annexure 1 to this circular.

The report of the independent reporting accountants on the unaudited *pro forma* financial information is set out in Annexure 2 to this circular.

8.3 Opinions and recommendations

The independent directors of Omnia have considered the terms and conditions of the Transactions and the opinion of the independent expert and are of the opinion that they are fair insofar as the Company's shareholders are concerned.

Accordingly, the directors recommend that shareholders vote in favour of the ordinary resolutions required to give effect thereto. The directors have undertaken, in respect of the Omnia shares under their control, to vote in favour of the ordinary resolution to be proposed at the general meeting.

8.4 Voting

The ordinary resolutions set out in the notice of the general meeting are subject to at least 50% of the votes cast by the Company's shareholders, present or represented by proxy at the general meeting, being cast in favour thereof, excluding the shares held by any shareholder and its associates participating in the Transactions.

9. SHARE CAPITAL

The authorised and issued share capital and share premium of Omnia, before and after the Transactions, is set out below:

	R'million
Authorised	
75 000 000 ordinary shares of no par value	–
Issued shares before the Transactions	
47 249 825 ordinary shares of no par value	318
Issued shares after the Transactions	
47 249 825 ordinary shares of no par value	318
827 978 treasury shares are held by the subsidiary companies	

10. MAJOR SHAREHOLDERS

The table below shows the shareholders, other than the directors, that beneficially held, directly or indirectly, an interest of 5% or more in Omnia's issued share capital before the Transactions insofar as is known to the directors:

	Number of shares	Shareholding (%)
Oasis Crescent Management	6 716 096	14,9
Regarding Capital Management	5 038 700	11,2
Old Mutual Investment Corporation	4 987 944	11,0
Coronation Fund Managers	3 089 894	6,8
Investec Asset Management	2 260 381	5,0
	22 093 015	48,9

11. DIRECTORS' INTERESTS AND REMUNERATION

11.1 Directors interest in issued share capital

Details of the directors' and their associates shareholding in the share capital of Omnia as at the last practicable date, are set out in the table below:

Name	Direct beneficial	Indirect beneficial	Indirect non-beneficial	Total	% Shareholding
F D Butler	6 500	–	–	6 500	0.01
N J Crosse	149 800	677 500	–	827 300	1.75
D L Eggers	145 332	45 000	–	190 332	0.40
D L Eggers – single stock futures	3 500	–	–	3 500	0.01
N K H Fitz-Gibbon	–	51 700	–	51 700	0.11
R B Humphris	609 410	210 000	10 436	829 846	1.76
Dr W T Marais	564	5 739 693	147 519	5 887 776	12.65
J G Pretorius*	–	–	5 000	5 000	0.00
	915 106	6 723 893	162 955	7 801 954	16.69

* Resigned during August 2009.

11.2 Directors' interest in share options

The Directors' currently have no future entitlements to Omnia shares under share option schemes as at the last practicable date.

11.3 Directors' interests in transactions

The Directors have not had any interest in any transactions affected by Omnia during the current year or immediately preceding year or during an earlier financial year and which remain in any respect outstanding or unperformed.

11.4 Directors' remuneration

The directors' remuneration for the year ended 31 March 2009 was as follows:

Executive	Fees R	Salary R	Bonus R	Retirement funding R	Medical Aid R	Car Allowances R	Other R	Total R
D L Eggers	–	2 297 994	600 000	131 669	23 504	187 347	7 497	3 248 011
R B Humphris	–	2 128 736	5 650 000	165 866	28 108	198 357	78 094	8 249 161
N K H Fitz-Gibbon	–	1 498 872	1 600 000	134 898	23 531	125 652	–	3 382 953
R R Masebelanga	–	715 000	500 000	64 350	–	73 356	–	1 352 706
Non-executive								
F D Butler	322 250	–	–	–	–	–	–	322 250
N J Crosse	1 465 500	–	–	–	–	–	–	1 465 500
Prof S S Loubser	184 000	–	–	–	–	–	–	184 000
J G Pretorius*	144 000	–	–	–	–	–	–	144 000
Dr W T Marais	174 000	–	–	–	–	–	–	174 000
D C Radley	294 000	–	–	–	–	–	–	294 000
T R Scott	181 500	–	–	–	–	–	–	181 500
R Havenstein	100 000	–	–	–	–	–	–	100 000
H H Hickey	189 000	–	–	–	–	–	–	189 000
	3 054 250	6 640 602	8 350 000	496 783	75 143	584 712	85 591	19 287 081

* Resigned during August 2009.

Only the Executive Directors of Omnia have entered into employment agreements with Omnia containing terms and conditions that are normal for such contracts.

12. COSTS OF THE TRANSACTIONS

The estimated cash costs associated with the Transactions are set out in the table below, all excluding expenses and value-added tax:

Description	ExecCo R	Sakhile II (2%) R¹	Sakhile II (5%) R²	Total of ExecCo and Sakhile II R³
Corporate Advisors – Nodus Capital (Pty) Limited	2 100 000	1 300 000	2 300 000	4 400 000
Sponsor and Independent Expert – Barnard Jacobs Mellet Corporate Finance (Pty) Limited	400 000	200 000	200 000	600 000
Independent Reporting Accountants – PricewaterhouseCoopers Inc	125 000	125 000	125 000	250 000
Independent Valuation Expert – Deloitte & Touche	90 000	35 000	35 000	125 000
Attorneys – Tugendhaft Wapnick Banchetti and Partners	160 000	160 000	160 000	320 000
Printing, publication and distribution costs	37 500	37 500	37 500	75 000
JSE documentation	5 500	5 500	5 500	11 000
	2 918 000	1 863 000	2 863 000	5 781 000

Notes:

1. Based on the assumption that 2% of the Sakhile II Transaction was effected on 1 April 2008 for income statement purposes and on 31 March 2009 for balance sheet purposes.
2. Based on the assumption that 5% of the Sakhile II Transaction was effected on 1 April 2008 for income statement purposes and on 31 March 2009 for balance sheet purposes.
3. Based on the assumption that 5% of the ExecCo Transaction and 5% of the Sakhile II Transaction was effected on 1 April 2008 for income statement purposes and on 31 March 2009 for balance sheet purposes.

13. MATERIAL CHANGES AND CONTRACTS

Other than the expected results for the six months ended 30 September 2009, as disclosed in the trading statement released by the Company on SENS on 23 October 2009, there has been no material change in the financial or trading position of Omnia since the announcement of its audited annual results for the year ended 31 March 2009, dispatched to shareholders on 18 August 2009.

Other than the Transactions, the Company has not entered into any material contract within the two years prior to the date of the circular or at any time and which contains an obligation or settlement that is material to Omnia or its subsidiaries at the date of this circular, other than in the ordinary course of business.

14. LITIGATION STATEMENT

To the best of the directors' knowledge, there are no other current, pending or threatened legal or arbitration proceedings against Omnia or the Omnia Group, which may have or have had a material effect on its financial position during the 12 months preceding the last practicable date from those disclosed below.

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities, other than those provided for.

The Competition Tribunal case in which the Group has been named by the Competition Commission in connection with its investigation into collusion in the fertiliser industry which was expected to take place in December 2009, has been further postponed to an as yet unknown date in 2010.

15. CONSENTS

All the advisers and the transfer secretaries have consented in writing to the inclusion of their names and reports in this document in the form and context in which they appear and have not withdrawn their consents prior to the publication of this document.

16. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies of such documents, will be available for inspection at the registered office of Omnia during normal office hours from the date of issue of this circular, being Thursday, 26 November 2009, up to and including the date of the general meeting, being Friday, 11 December 2009:

- a signed copy of this circular;
- the ExecCo Sale Agreement and the Sakhile II Sale Agreement;
- the amending agreements to the ExecCo Sale Agreement and the Sakhile II Sale Agreement, governing the amendment to the memoranda and articles of association of ExecCo and Sakhile II in respect of their authorised share capital;
- the First Share Purchase Schedule related to the Sakhile II Sale Agreement;
- the memoranda and articles of association of Omnia and its subsidiaries;
- the memoranda and articles of association of ExecCo and Sakhile II;
- the OG shareholders' agreement;
- the ExecCo and Sakhile II call option agreements;
- the agreement governing the guarantee provided by Omnia to ExecCo and Sakhile II regarding the loans acquired by ExecCo and Sakhile II;
- the management agreements between OG, Sakhile II and ExecCo;
- the restatement agreement governing the amendment to the terms applicable to the portion of the B Loan being acquired by ExecCo as part of the ExecCo Stake;
- the restatement agreement governing the amendment to the terms applicable to the portion of the B Loan being acquired by Sakhile II as part of the Sakhile II 1st Tranche;
- the restatement agreement governing the amendment to the terms applicable to the remaining portion of the B Loan relating to the subordination thereof;

- the undertaking agreement governing the undertaking by OG and OGI not to redeem the B Preference Shares until the portions of the B Loan acquired by ExecCo and Sakhile II as part of the ExecCo Stake and Sakhile II 1st Tranche respectively, have been repaid;
- the independent reporting accountants' report;
- the fairness opinions prepared by Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited;
- the audited results of Omnia for the three years ended 31 March 2009, 31 March 2008 and 31 March 2007; and
- written consents from the advisors and the transfer secretaries.

OMNIA HOLDINGS LIMITED

N K H Fitz-Gibbon

Group Commercial Director

UNAUDITED *PRO FORMA* INCOME STATEMENT AND BALANCE SHEET

The unaudited *pro forma* income statement and balance sheet set out below have been prepared to assist shareholders to assess the impact of the Transactions based on the assumption the Transactions were effective 1 April 2008 for income statement purposes and 31 March 2009 for balance sheet purposes.

The unaudited *pro forma* income statement and balance sheet are the responsibility of the Omnia directors and have been prepared for illustrative purposes only. Due to their nature, the *pro forma* income statement and balance sheet may not fairly present Omnia's financial position, changes in equity and results of operations or cash flows after the Transactions.

Unaudited *pro forma* income statement

R'million	Before ¹	ExecCo- Trans action ²	After Execo - Trans action	Sakhile II Trans- acton (2%) ³	Sakhile II Trans- action (3%) ⁴	After Sakhile II- Trans action	<i>Pro forma</i> After the- Trans actions
Revenue	11 111		11 111			11 111	11 111
Cost of sales	(9 045)		(9 045)			(9 045)	(9 045)
Gross profit	2 066	–	2 066	–	–	2 066	2,066
Other operating income	30		30			30	30
Administrative expenses	(546)	(31)	(577)	(4)	(4)	(554)	(585)
Selling and distribution expenses	(639)		(639)			(639)	(639)
Operating expenses	(34)		(34)			(34)	(34)
Operating profit	877	(31)	846	(4)	(4)	869	838
Finance expense	(205)	4	(201)	2	2	(201)	(197)
Finance income	41		41			41	41
Income from associate	5		5			5	5
Profit before taxation	718	(27)	691	(2)	(2)	714	687
Income tax expense	(227)	(1)	(228)	–	(1)	(228)	(229)
Net profit for the year	491	(28)	463	(2)	(3)	486	458
Attributable to:							
Equity holders of the company	491	(28)	463	(2)	(3)	486	458
Minority interest	–						–
	491	(28)	463	(2)	(3)	486	458
Headline earnings reconciliation:							
Net profit attributable to equity holders	491	(28)	463	(2)	(3)	486	458
Impairment of assets	3		3		–	3	3
Headline earnings	494	(28)	466	(2)	(3)	489	461

Notes:

1. Extracted from the published audited annual financial statements of Omnia for the year ended 31 March 2009.
2. Represents adjustments relating to the ExecCo Transaction as follows:
 - a. IFRS 2: Share-based Payments charge of R28 million, reflecting the fair value of the equity instruments granted to the participants in ExecCo net of the consideration received of R10 million, which fully vests on the grant date. The fair value of the equity instruments granted to the participants in ExecCo will be determined based on the ruling share price on the grant date of the equity instruments. This charge is of a one-off nature and does not recur in subsequent financial years;

- b. estimated transaction costs of R2.9 million; and
- c. interest saved through the utilisation of the proceeds from the ExecCo Transaction to reduce short-term debt facilities which incurred interest at an average rate of 12.4% p.a, offset by interest incurred on external borrowings of R123.5 million at an average rate of 9.7% p.a.
3. Represents adjustments relating to the Sakhile II Transaction (first tranche of 2%) as follows:
- a. IFRS 2: Share-Based Payments charge of R2 million, reflecting the estimated annual amortisation of the fair value of the equity instruments granted to the participants in Sakhile II based on a vesting period of seven years. The fair value of the equity instruments granted to the participants in Sakhile II will be determined based on the ruling share price on the grant date of the equity instruments;
- b. estimated transaction costs of R1.9 million; and
- c. interest saved through the utilisation of the proceeds from the Sakhile II Transaction (first tranche of 2%) to reduce short-term debt facilities which incurred interest at an average rate of 12.4% p.a, offset by interest incurred on external borrowings of R53.4 million at an average rate of 9.7% p.a.
4. Represents adjustments relating to the Sakhile II Transaction (additional maximum tranche of 3%) as follows:
- a. IFRS 2: Share-based Payments charge of R3 million, reflecting the estimated annual amortisation of the fair value of the equity instruments granted to the participants in Sakhile II based on a vesting period of seven years. The fair value of the equity instruments granted to the participants in Sakhile II will be determined based on the ruling share price on the grant date of the equity instruments;
- b. estimated transaction costs of R1 million; and
- c. interest saved through the utilisation of the proceeds from the Sakhile II Transaction (additional maximum tranche of 3%) to reduce short-term debt facilities which incurred interest at an average rate of 12.4% p.a, offset by interest incurred on external borrowings of R80.1 million at an average rate of 9.7% p.a.
5. Diluted weighted average shares in issue is determined using a share price of R56.21, being the latest 30-day VWAP. The actual dilution will be determined using the average share price ruling during each financial period that the equity instruments are outstanding.
6. Included within the audited results of Omnia for the year ended 31 March 2009 is a charge of R16.9 million relating to the Third Partnership with Management Scheme ("the Scheme"). The Scheme effectively ended on 31 March 2009 and therefore this charge will not recur.

Unaudited *pro forma* balance sheet

R'millions	Before ¹	ExecCo- Trans action ²	After Execo - Trans action	Sakhile II Trans- action (2%) ³	Sakhile II Trans- action (3%) ⁴	After Sakhile II- Trans action	<i>Pro forma</i> After the- Trans actions
ASSETS							
Non-current assets	1 686	-	1 686	-	-	1 686	1 686
Property, plant and equipment	1 114		1 114			1 114	1 114
Intangible assets	517		517			517	517
Available for sale financial assets	1		1			1	1
Investments	40		40			40	40
Deferred taxation	14		14			14	14
Current assets	4 071	(3)	4 068	(2)	(1)	4 068	4 065
Inventories	2 391		2 391			2 391	2 391
Trade and other receivables	1 342		1 342			1 342	1 342
Cash and cash equivalents	159	(3)	156	(2)	(1)	156	153
Derivative financial instruments	179		179			179	179
Total assets	5 757	(3)	5 754	(2)	(1)	5 754	5 751

R'millions	Before ¹	ExecCo- Trans action ²	After Execo - Trans action	Sakhile II Trans- acton (2%) ³	Sakhile II Trans- action (3%) ⁴	After Sakhile II- Trans action	Pro forma After the- Trans actions
EQUITY AND LIABILITIES							
Equity							
Capital and reserves	2 139	7	2 146	(2)	(1)	2 136	2 143
Stated capital	201		201			201	201
Treasury shares	(11)		(11)			(11)	(11)
Other reserves	286	38	324			286	324
Retained earnings	1 663	(31)	1 632	(2)	(1)	1 660	1 629
Minority interest in equity	(2)		(2)			(2)	(2)
Total equity	2 137	7	2 144	(2)	(1)	2 134	2 141
Liabilities							
Non-current liabilities	789	104	893	48	72	909	1 013
Deferred income tax liabilities	118		118			118	118
Provisions	1		1			1	1
Interest-bearing borrowings	670	104	774	48	72	790	894
Current liabilities	2 831	(114)	2 717	(48)	(72)	2 711	2 597
Trade and other payables	1 973		1 973			1 973	1 973
Current portion of interest-bearing borrowings	68	20	88	5	8	82	101
Current income tax liabilities	20		20			20	20
Bank overdrafts	373	(134)	239	(53)	(80)	239	106
Derivative financial instruments	397		397			397	397
Total liabilities	3 620	(10)	3 610	-	-	3 620	3 610
Total equity and liabilities	5 757	(3)	5 754	(2)	(1)	5 754	5 751
NAV	4 821		4 837			4 814	4 830
TNAV	3 656		3 672			3 649	3 665
Number of shares ('000)	44 370		44 370			44 370	44 370

Notes:

1. Extracted from the published audited annual financial statements of Omnia for the year ended 31 March 2009.
2. Represents adjustments relating to the ExecCo Transaction as follows:
 - a. IFRS 2: Share-based Payments charge of R28 million, reflecting the fair value of the equity instruments granted to the participants in ExecCo net of the consideration received of R10 million, which fully vests on the grant date. The fair value of the equity instruments granted to the participants in ExecCo will be determined based on the ruling share price on the grant date of the equity instruments;
 - b. the value of the services received in terms of IFRS2: Share-Based Payments and the consideration of R10 million are reflected within "Other reserves";
 - c. estimated transaction costs of R2.9 million; and
 - d. proceeds of R133.5 million from the ExecCo Transaction are utilised to reduce short-term debt facilities and are partly funded by external borrowings of R123.5 million.
3. Represents adjustments relating to the Sakhile II Transaction (first tranche of 2%) as follows:
 - a. estimated transaction costs of R1.9 million; and
 - b. proceeds of R53.4 million from the Sakhile II Transaction (first tranche of 2%) are utilised to reduce short-term debt facilities, fully funded by long-term external borrowings.
4. Represents adjustments relating to the Sakhile II Transaction (additional maximum tranche of 3%) as follows:
 - a. estimated transaction costs of R1 million; and
 - b. proceeds of R80.1 million from the Sakhile II Transaction (additional maximum tranche of 3%) are utilised to reduce short-term debt facilities, fully funded by long-term external borrowings.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT

23 November 2009

The Directors
Omnia Holdings Limited
13 Sloane Street
Epsom Downs
Bryanston
2021

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION OF OMNIA HOLDINGS LIMITED ("OMNIA")

1. INTRODUCTION

Omnia is issuing a circular ("the Circular") to its shareholders relating to agreements, through Omnia Group Investments Limited, to dispose of a 5% stake in Omnia Group (Proprietary) Limited ("Omnia Group") to each of Nanotron Investments (Pty) Limited ("ExecCo") and African Dune Investments 262 (Pty) Limited ("Sakhile II") (collectively, "the Transactions").

We have performed our limited assurance engagement in respect of the unaudited *pro forma* income statement, balance sheet and financial effects ("the unaudited *pro forma* financial information") of Omnia set out in Annexure 1 and paragraph 8 to the Circular. The unaudited *pro forma* financial information has been prepared in accordance with the requirements of the JSE Limited ("JSE") Listings Requirements, for illustrative purposes only, to provide information about the Transactions.

2. DIRECTORS' RESPONSIBILITIES

The directors are responsible for the compilation, contents and presentation of the unaudited *pro forma* financial information contained in the Circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the unaudited *pro forma* financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of Omnia; and the *pro forma* adjustments are appropriate for the purposes of the unaudited *pro forma* financial information disclosed in terms of the JSE Listings Requirements.

3. REPORTING ACCOUNTANT'S RESPONSIBILITIES

Our responsibility is to express our limited assurance conclusion on the unaudited *pro forma* financial information included in the Circular. We conducted our assurance engagement in accordance with the ISAE 3000: International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Guide on *Pro Forma* Financial Information issued by The South African Institute of Chartered Accountants.

This standard requires us to obtain sufficient appropriate evidence on which to base our conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the *pro forma* financial information, beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

4. SOURCES OF INFORMATION AND WORK PERFORMED

Our procedures consisted primarily of comparing the unadjusted financial information with the audited annual financial statements of Omnia for the year ended 31 March 2009, considering the *pro forma* adjustments in light of the accounting policies of Omnia, considering the evidence supporting the *pro forma* adjustments and discussing the adjusted unaudited *pro forma* financial information with the directors and management of the company.

In arriving at our conclusion, we have relied upon financial information prepared by the directors and management of Omnia and other information from various public, financial and industry sources.

While our work performed has involved an analysis of the historical financial information and other information provided to us, our assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and, accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

5. CONCLUSION

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe, in terms of Sections 8.17 and 8.30 of the JSE Listings Requirements that:

- the unaudited *pro forma* financial information has not been properly compiled on the basis stated;
- such basis is inconsistent with the accounting policies of Omnia;
- the adjustments are not appropriate for the purposes of the unaudited *pro forma* financial information as disclosed.

PRICEWATERHOUSECOOPERS INC

DIRECTOR: V MYBURGH

REGISTERED AUDITOR

OPINION BY INDEPENDENT PROFESSIONAL EXPERT ON THE EXECCO TRANSACTION

23 November 2009

The Directors
Omnia Holdings Limited
Omnia House
13 Sloane Street
Epsom Downs
Bryanston
2021

Attention: The Directors

Fairness opinion to the directors of Omnia Holdings Limited (“Omnia” or “the Company”) regarding the sale by Omnia Group Investments Limited (“OGI”), a subsidiary of Omnia, of 5% of the equity and shareholder loan claims in Omnia Group (Pty) Ltd (“OG”), a subsidiary of OGI, (the “ExecCo Stake”) to Nanotron Investments (Pty) Limited (“ExecCo”), a company to be owned by Omnia and the executives of Omnia.

1. INTRODUCTION

- 1.1 Omnia has entered into the sale by OGI of the ExecCo Stake to ExecCo (“the Transaction”). The shareholders of ExecCo will be Omnia and members of Omnia’s executive management.
- 1.2 We have been appointed by the board of directors of Omnia (“the Board”) to advise in terms of Section 10.4(f) of the Listings Requirements of the JSE Limited (“JSE”) (“Listings Requirements”) whether, in our opinion, the Transaction is fair to the shareholders of Omnia.
- 1.3 The salient parameters, terms and conditions of the Transaction are set out below:
 - 1.3.1 ExecCo will in terms of a sale of shares and claims agreement (the “Share Purchase Agreement”) entered into between ExecCo and OGI, purchase from OGI the ExecCo Stake;
 - 1.3.2 the shareholders of ExecCo will be Omnia and executives of Omnia and its subsidiaries. The executives of Omnia will subscribe for ordinary shares and N preference shares in ExecCo and Omnia will subscribe for a Class B ordinary share in ExecCo (“Class B Shares”);
 - 1.3.3 the purchase consideration for the ExecCo Stake totals R133.5 million (the “Purchase Consideration”) which is payable in cash by ExecCo on the effective date, being three business days after fulfilment of the suspensive conditions to the Share Purchase Agreement;
 - 1.3.4 ExecCo will be funded through a combination of third party debt and its own capital to be contributed by Omnia’s executive management;
 - 1.3.5 Omnia has provided a guarantee for the repayment of the claims purchased by ExecCo in terms of the Transaction; and
 - 1.3.6 Omnia will, after 1 July 2014 and for a further period of eighteen months thereafter, have the right to acquire the shares and claims held by ExecCo in OG and in settlement of the purchase consideration payable to ExecCo, Omnia will have the right to pay cash and/or procure the issue and/or delivery of Omnia shares to ExecCo, equal in value to the outstanding amount payable in respect of the ExecCo Stake (“the Call Option”).

2. SCOPE

- 2.1 Executive directors of Omnia will participate as shareholders of ExecCo in the Transaction and are deemed to be "related parties" in terms of paragraph 10.1(b)(ii) of the Listings Requirements.
- 2.2 Paragraph 10.4(f) of the Listings Requirements requires the Board to obtain an opinion from an independent expert acceptable to the JSE regarding the fairness of the proposed related party transaction to the shareholders of Omnia.
- 2.3 Pursuant to the Listings Requirements, the Board has appointed Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited ("BJM") to provide such opinion.

3. DEFINITION OF THE TERM "FAIR"

- 3.1 The term "fairness" is defined in Schedule 5 of the Listings Requirements as being primarily based on quantitative issues. Therefore, the Transaction would be considered fair to the shareholders of Omnia if the value gained from the proposed sale of the ExecCo Stake to ExecCo, measured in terms of quantifiable benefits, were to be greater than or equal to the cost of the Transaction to Omnia shareholders represented by the value attributed to the ExecCo Stake, or unfair if the opposite would hold true.
- 3.2 This opinion does not purport to cater for individual shareholder positions but rather the general body of shareholders taken as a whole.

4. INFORMATION CONSIDERED

- 4.1 We considered the following information in formulating our opinion:
 - 4.1.1 information on Omnia, including the history, the nature of business, products and services, key customers, industry and competitors;
 - 4.1.2 Omnia's audited financial statements for the 2009, 2008, 2007, 2006 and 2005 financial years;
 - 4.1.3 Omnia's management accounts for the financial period 1 April 2009 to 31 July 2009;
 - 4.1.4 forecasts for Omnia for the financial years from 2009 to 2014 in conjunction with the Omnia strategic business plan for the same period;
 - 4.1.5 analysts' reports on Omnia and the industry in which it operates;
 - 4.1.6 the Share Purchase Agreement concluded between OGI, OG and ExecCo;
 - 4.1.7 the amending agreements to the Share Purchase Agreement concluded between OGI, OG and ExecCo, governing the amendment to the memorandum and articles of association of ExecCo in respect of its authorised share capital;
 - 4.1.8 the restatement agreement governing the amendment to the terms applicable to the portion of the B Loan being acquired by ExecCo as part of the ExecCo Stake;
 - 4.1.9 the undertaking agreement governing the undertaking by OG and OGI not to redeem the B Preference Shares in OG until the portion of the B Loan acquired by ExecCo has been repaid;
 - 4.1.10 the restatement agreement governing the amendment to the terms applicable to the remaining portion of the B Loan relating to the subordination thereof;
 - 4.1.11 the call option agreement concluded between Omnia and ExecCo;
 - 4.1.12 the guarantee by Omnia in favour of ExecCo;
 - 4.1.13 the management agreement concluded between OG and ExecCo;
 - 4.1.14 the shareholders agreement concluded between OGI, OG, ExecCo, Sakhile Initiative Limited ("Sakhile 1") and African Dune Investments 262 (Proprietary) Limited ("Sakhile 2");

- 4.1.15 the indicative term sheets regarding the funding proposals prepared by potential funders to the Transaction;
- 4.1.16 the Articles of Association of ExecCo;
- 4.1.17 discussions with management of Omnia, including discussions regarding the rationale for and the perceived benefits to be obtained from the Transaction;
- 4.1.18 an indicative valuation of OG's operating assets, which we have prepared using a discounted cash flow ("DCF") methodology (also known as the income approach); and
- 4.1.19 the key value drivers of the DCF methodology applied above, which include:
 - revenue growth;
 - working capital requirements;
 - capital expenditure based on planned expansion; and
 - a range of discount rates.

5. PROCEDURES

- 5.1 In arriving at our opinion, we have, *inter alia*:
 - 5.1.1 reviewed the Transaction, its terms and conditions;
 - 5.1.2 considered information made available by and from discussions held with the management of Omnia;
 - 5.1.3 considered the rationale for the Transaction;
 - 5.1.4 discussions with management of Omnia, including discussions regarding the rationale for and the perceived benefits to be obtained from the Transaction;
 - 5.1.5 considered the historical share price movement of Omnia as well as the relative liquidity of Omnia shares;
 - 5.1.6 considered the net present value of the loans acquired by ExecCo;
 - 5.1.7 considered the indicative valuation of OG and OGI prepared by us based upon OG's forecast and historical income, expenses, asset values and working capital requirements; and
 - 5.1.8 conducted appropriate sensitivity analyses given a reasonable range of key assumptions and the value drivers on the valuation above.

6. OPINION

- 6.1 Based on the information considered and our indicative valuation results, we are of the opinion that the terms and conditions of the Transaction are fair to the shareholders of Omnia.
- 6.2 We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purpose of this opinion, whether in writing or obtained in discussion with the management of Omnia. We express no opinion on this information.
- 6.3 Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated as at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.
- 6.4 Each individual Omnia shareholder's decision may be influenced by their particular circumstances. We suggest that shareholders should consult an independent advisor if they are in any doubt as to the merits of the Transaction considering their personal circumstances.

6.5 In terms of Schedule 5.1(a) of the Listings Requirements, we confirm that we have no financial interest in Omnia, or the Transaction. Furthermore, we confirm that our professional fees are not contingent upon the success of the Transaction.

6.6 In terms of Schedule 5.8(l) of the Listings Requirements, we confirm that the scope of our procedures and work performed were not subject to any limiting conditions.

7. CONSENT

We hereby consent to this letter being disclosed to the JSE and be made available for inspection at the company's registered office for a period of 28 days from the date of the announcement to shareholders.

Yours faithfully

J N Human
Chief Executive Officer

Illovo

OPINION BY INDEPENDENT PROFESSIONAL EXPERT ON THE SAKHILE II TRANSACTION

23 November 2009

The Directors
 Omnia Holdings Limited
 Omnia House
 13 Sloane Street
 Epsom Downs
 Bryanston, 2021

Attention: The Directors

Fairness opinion to the directors of Omnia Holdings Limited (“Omnia” or “the Company”) regarding the sale by Omnia Group Investments Limited (“OGI”), a subsidiary of Omnia, of 2% of the equity and shareholder loan claims in Omnia Group (Pty) Ltd (“OG”), a subsidiary of OGI, (the “BEE Stake”) to African Dune Investments 262 (Pty) Limited (“Sakhile II”), a company to be owned by Omnia, black board members, executives and employees of Omnia.

1. INTRODUCTION

- 1.1 Omnia has entered into the sale by Omnia of the BEE Stake to Sakhile II (“the Transaction”). The shareholders of Sakhile II will be Omnia, black board members, executives and employees of Omnia and its subsidiaries.
- 1.2 We have been appointed by the board of directors of Omnia (“the Board”) to advise in terms of Section 10.4(f) of the Listings Requirements of the JSE Limited (“JSE”) (“Listings Requirements”) whether, in our opinion, the Transaction is fair to the shareholders of Omnia.
- 1.3 The salient parameters, terms and conditions of the Transaction are set out below:
 - 1.3.1 Sakhile II will in terms of a sale of shares and claims agreement (the “Share Purchase Agreement”) entered into between Sakhile II and OGI purchase from OGI the BEE Stake, in tranches over a period of three (3) years;
 - 1.3.2 the shareholders of Sakhile II will be Omnia and BEE executives and/or employees of Omnia and its subsidiaries. Black executives and/or employees of Omnia will subscribe for ordinary shares in Sakhile II and Omnia will subscribe for a Class B ordinary share in Sakhile II (“Class B Shares”);
 - 1.3.3 the purchase consideration for the BEE Stake totals R53.4 million (the “Purchase Consideration”) which is payable in cash by Sakhile II on the effective date, being the last date of signature by all the parties to the Share Purchase Agreement (the “Effective Date”);
 - 1.3.4 Sakhile II will be capitalised through third party debt;
 - 1.3.5 Omnia has provided a guarantee for the repayment of the claims purchased by Sakhile II in terms of the Transaction; and
 - 1.3.6 Shareholders of Sakhile II shall not be entitled to deal with, sell or encumber their shares prior to the seventh anniversary of the allocation date in respect of the particular tranche of ordinary shares allocated to the shareholder/s. Omnia will have the right to acquire the shares and claims held by Sakhile II in OG over a period of 11.5 years from the Effective Date of the Transaction and in settlement of the Purchase Consideration payable to Sakhile II, Omnia will have the right to pay cash and/or procure the issue and/or delivery of Omnia shares to Sakhile II, equal in value to the outstanding amount payable in respect of the BEE Stake (“the Call Option”).

2. SCOPE

- 2.1 Executive directors of Omnia will participate as shareholders of Sakhile II in the Transaction and are deemed to be “related parties” in terms of paragraph 10.1(b)(ii) of the Listings Requirements.

- 2.2 Paragraph 10.4(f) of the Listings Requirements requires the Board to obtain an opinion from an independent expert acceptable to the JSE regarding the fairness of the proposed related party transaction to the shareholders of Omnia.
- 2.3 Pursuant to the Listings Requirements, the Board has appointed Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited ("BJM") to provide such opinion.

3. DEFINITION OF THE TERM "FAIR"

- 3.1 The term "fairness" is defined in Schedule 5 of the Listings Requirements as being primarily based on quantitative issues. Therefore, the Transaction would be considered fair to the shareholders of Omnia if the value gained from the proposed sale of the BEE Stake to Sakhile II, measured in terms of quantifiable benefits, were to be greater than or equal to the cost of the Transaction to Omnia shareholders represented by the value attributed to the BEE Stake, or unfair if the opposite would hold true.
- 3.2 This opinion does not purport to cater for individual shareholder positions but rather the general body of shareholders taken as a whole.

4. INFORMATION CONSIDERED

- 4.1 We considered the following information in formulating our opinion:
 - 4.1.1 information on Omnia, including the history, the nature of business, products and services, key customers, industry and competitors;
 - 4.1.2 Omnia's audited financial statements for the 2008, 2007, 2006 and 2005 financial years and reviewed preliminary financial information for the 2009 financial year;
 - 4.1.3 Omnia's management accounts for the financial period 1 April 2009 to 31 July 2009;
 - 4.1.4 forecasts for Omnia for the financial years from 2009 to 2014 in conjunction with the Omnia strategic business plan for the same period;
 - 4.1.5 analysts' reports on Omnia and the industry in which it operates;
 - 4.1.6 the Codes of Good Practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
 - 4.1.7 the Share Purchase Agreement concluded between OG, OGI and Sakhile II;
 - 4.1.8 the amending agreements to the Share Purchase Agreement concluded between OG, OGI and Sakhile II, governing the amendment to the memorandum and articles of association of Sakhile II in respect of its authorised share capital;
 - 4.1.9 the restatement agreement governing the amendment to the terms applicable to the portion of the B Loan being acquired by Sakhile II;
 - 4.1.10 the undertaking agreement governing the undertaking by OG and OGI not to redeem the B Preference Shares in OG until the portions of the B Loan acquired by Sakhile II has been repaid;
 - 4.1.11 the restatement agreement governing the amendment to the terms applicable to the remaining portion of the B Loan relating to the subordination thereof;
 - 4.1.12 the management agreement between OG and Sakhile II;
 - 4.1.13 the call option agreement concluded between Omnia and Sakhile II;
 - 4.1.14 the guarantee by Omnia in favour of Sakhile II;
 - 4.1.15 the shareholders' agreement concluded between OGI, OG, Sakhile II, Sakhile Initiative Limited ("Sakhile 1") and Nanotron Investments (Proprietary) Limited ("ExecCo");
 - 4.1.16 the indicative term sheets regarding the funding proposals prepared by potential funders to the Transaction;
 - 4.1.17 the Articles of Association of Sakhile II;
 - 4.1.18 discussions with management of Omnia, including discussions regarding the rationale for and the perceived benefits to be obtained from the Transaction;
 - 4.1.19 an indicative valuation of OG's operating assets, which we have prepared using a discounted cash flow ("DCF") methodology (also known as the income approach); and

- 4.1.20 the key value drivers of the DCF methodology applied above, which include:
- revenue growth;
 - working capital requirements;
 - capital expenditure based on planned expansion; and
 - a range of discount rates.

5. PROCEDURES

- 5.1 In arriving at our opinion, we have, *inter alia*:
- 5.1.1 reviewed the Transaction, its terms and conditions;
- 5.1.2 considered information made available by and from discussions held with the management of Omnia;
- 5.1.3 considered the rationale for the Transaction;
- 5.1.4 discussions with management of Omnia, including discussions regarding the rationale for and the perceived benefits to be obtained from the Transaction;
- 5.1.5 considered the historical share price movement of Omnia as well as the relative liquidity of Omnia shares;
- 5.1.6 considered the net present value of the loans acquired by Sakhile II;
- 5.1.7 considered the indicative valuation of OG and OGI prepared by us based upon OG's forecast and historical income, expenses, asset values and working capital requirements; and
- 5.1.8 conducted appropriate sensitivity analyses given a reasonable range of key assumptions and value drivers on the valuation above.

6. OPINION

- 6.1 Based on the information considered and our indicative valuation results, we are of the opinion that the terms and conditions of the Transaction are fair to the shareholders of Omnia.
- 6.2 We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purpose of this opinion, whether in writing or obtained in discussion with the management of Omnia. We express no opinion on this information.
- 6.3 Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated as at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.
- 6.4 Each individual Omnia shareholder's decision may be influenced by their particular circumstances. We suggest that shareholders should consult an independent advisor if they are in any doubt as to the merits of the Transaction considering their personal circumstances.
- 6.5 In terms of Schedule 5.1(a) of the Listings Requirements, we confirm that we have no financial interest in Omnia, or the Transaction. Furthermore, we confirm that our professional fees are not contingent upon the success of the Transaction.
- 6.6 In terms of Schedule 5.8(l) of the Listings Requirements, we confirm that the scope of our procedures and work performed were not subject to any limiting conditions.

7. CONSENT

We hereby consent to this letter being disclosed to the JSE and be made available for inspection at the company's registered office for a period of 28 days from the date of the announcement to shareholders.

Yours faithfully

J N Human
Chief Executive Officer

Illovo

TERMS AND CONDITIONS OF THE EXECCO B CLASS SHARE

A summary of the terms and conditions of the ExecCo B Class Share as contained in and/or extracted from the ExecCo Articles of Association is provided below:

1. DEFINITIONS APPLICABLE TO THIS SUMMARY

“B Dividend” means a dividend payable to the B Holder;

“B Holder” means Omnia, being the person or entity which subscribed for and paid the Subscription Price and to which ExecCo then issued the ExecCo B Class Share. For the Purposes of this article, the definition **“B Holder”** and **“Omnia”** shall be interchangeable as may be required or indicated by the context;

“CPI” means the Consumer Price Index excluding owners’ equivalent rent for all urban areas, as published from time to time by Statistics South Africa. If the index is terminated or suspended, the Auditors shall decide on an equitable substitute index to be used;

“Declaration Date” means the day on which the B Dividend is declared by ExecCo;

“Distribution” means any payment made by ExecCo to its members (in their capacities as members) in terms of section 90 of the Act, and **“Distributions”** shall have a corresponding meaning;

“Distributable Reserves” means, in respect of any B Dividend, after having taken into account Distributions accruing to preference shares which rank in priority, the aggregate of all remaining amounts legally available to ExecCo for Distribution by way of dividend (or the accounting equivalent thereof) as calculated with reference to its most recent audited annual financial statements;

“Financial Year” means, at any time, the current financial year of Omnia commencing on the first day of the relevant financial year and ending on the last day of the relevant financial year;

“Initial Dividend Period” means a period of approximately 60 (sixty) consecutive calendar months commencing on the first day of the financial year of Omnia during which the ExecCo B Class Share was issued and ending on 30 June 2014;

“NPAT” means, in respect of any Financial Year, Omnia’s net profit after the deduction of tax (or the equivalent term/expression used by Omnia in its audited annual financial statements) for that Financial Year – the calculation of NPAT shall be based on the prevailing accounting policies used by Omnia as signed off by its auditors;

“Par Value” means, in relation to the ExecCo B Class Share, a par value of R1.00 (one Rand);

“Real Growth Rate” means a compound annual growth rate calculated as:

$R = A - B$ in which formula:

R = the Real Growth Rate expressed as a percentage;

A = the result of Formula “A” set out below;

B = the result of Formula “B” set out below:

Formula “A”

$$0 = D + \frac{D}{(1 + A)^1} + \frac{D}{(1 + A)^2} + \dots + \frac{D}{(1 + A)^{n-1}} + \frac{-E}{(1 + A)^n}$$

in which formula:

A = the rate, expressed as a percentage, resulting in an aggregate value of Formula “A” being equal to Zero;

D = a "base earnings" value equal to R383 million applicable to each period except for the last period defined as "n";

E = the aggregate of the NPAT of each Financial Year occurring during the Initial Dividend Period;

n = completed financial years during the Initial Dividend Period (which is limited to 5);

Formula "B"

$$0 = D + \frac{D}{(1+B)^1} + \frac{D}{(1+B)^2} + \dots + \frac{D}{(1+B)^{n-1}} + \frac{-C}{(1+B)^n}$$

in which formula:

B = the rate, expressed as a percentage, resulting in an aggregate value of Formula "B" being equal to Zero;

D = a "base earnings" value equal to R383 million applicable to each period except for the last period defined as "n";

C = the result of Formula "C" set out below;

n = completed financial years during the Initial Dividend Period (which is limited to 5);

Formula "C"

$$C = [D * (1 + F(1))] + [D * (1 + F(1)) * (1 + F(2))] + \dots \\ + [D * (1 + F(1)) * (1 + F(2)) * \dots * (1 + F(N))]$$

in which formula:

C = the cumulative value for D increased by the individual CPI rate per year for N number of completed Financial Years occurring during the Interim Dividend Period, expressed as an inflationary growth adjusted "base earnings" value;

D = a "base earnings" value equal to R383 million applicable to each period except for the last period defined as "n";

F(N) = the individual CPI rate per year for each Financial Year occurring during the Interim Dividend Period expressed as a percentage;

N = completed financial years during the Initial Dividend Period (which is limited to 5);

"Subscription Price" means, in relation to the ExecCo B Class Share, an amount equal to the Par Value; and

"Subsequent Dividend Period" means the period commencing on the first calendar day of the end of the Initial Dividend Period and shall have no specific end date.

2. DIVIDENDS

The ExecCo B Class Share shall confer upon the B Holder the right to receive a B Dividend in accordance with the terms of the Articles of Association.

The directors of ExecCo shall, with the prior written consent of Omnia, be entitled to declare a B Dividend at any time.

The B Dividend shall be calculated as follows:

$$M = [1 - [(L * Y) + ((W * ((R * 100) - Q)^V)/N) * (1 - L)]] * 100$$

where:

M = the percentage of Distributable Reserves to be declared as a dividend to the B Holder;

L = a minimum benefit factor, calculated with reference to the Real Growth Rate achieved by Omnia as follows:

Real Growth Rate (%)	Value of "L"
<0	0.000
0-5	0.000
5-8	0.300
8-12	0.700
12<	1.000

Y = a numerical factor calculated with reference to the Real Growth Rate achieved by Omnia as follows:

Real Growth Rate (%)	Value of "Y"
<0	1.000
0-5	1.000
5-8	0.700
8-12	1.000
12<	1.000

W = a numerical factor calculated with reference to the Real Growth Rate achieved by Omnia as follows:

Real Growth Rate (%)	Value of "W"
<0	0.0000
0-5	0.0000
5-8	0.2333
8-12	1.0000
12<	1.0000

R = the Real Growth Rate as at the time of the declaration of the B Dividend, expressed as a percentage;

Q = a numerical factor calculated with reference to the Real Growth Rate achieved by Omnia as follows:

Real Growth Rate (%)	Value of "Q"
<0	0.00
0-5	0.00
5-8	5.00
8-12	8.00
12<	8.00

V = the value of the exponential power used, calculated with reference to the Real Growth Rate achieved by Omnia as follows:

Real Growth Rate (%)	Value of "V"
<0	1.00
0-5	1.00
5-8	2.00
8-12	1.00
12<	1.00

N = a numerical factor calculated with reference to the Real Growth Rate achieved by Omnia as follows:

Real Growth Rate (%)	Value of "N"
<0	5.00
0-5	5.00
5-8	3.00
8-12	4.00
12<	4.00

3. LIQUIDATION

On the liquidation of ExecCo, or on distribution by ExecCo of its assets, the ExecCo B Class Share shall confer on the B Holder a right to return of capital ranking equal (*pari passu*) to the equivalent rights of the ordinary shareholders of ExecCo.

4. VOTING RIGHTS

In certain circumstances, the ExecCo B Class Share shall entitle its holder to a right equivalent to 95% (ninety-five percent) of the ordinary voting power exercisable at a general meeting of the shareholders of ExecCo, such circumstances, being:

- a. any change or proposed change of the Memorandum or Articles of Association of ExecCo; and/or
- b. the sale of any assets of ExecCo; and/or
- c. any distribution (*in specie* or otherwise) of the ExecCo's assets; and/or
- d. a proposal for the winding up, judicial management or liquidation of ExecCo, whether provisionally or finally, or for the reduction of its capital.

TERMS AND CONDITIONS OF THE EXECOCO N PREFERENCE SHARES

A summary of the terms and conditions of the ExecCo N Preference Shares as contained in and/or extracted from the ExecCo Articles of Association is provided below:

1. DEFINITIONS APPLICABLE TO THIS SUMMARY

“N Holder” means each person or entity which subscribed for and paid the Subscription Price and to which ExecCo then issued N Preference Shares;

“Par Value” means, in relation to each N Preference Share, a par value of R0.01 (one cent);

“Redemption Date” means any day after 30 June 2014 on which ExecCo elects to redeem the N Preference Shares;

“Redemption Price” means, in respect of each N Holder, a Rand amount calculated as:

$$R = ((N \times Sp) / VwS) \times VwR$$

R = redemption price expressed as a Rand amount;

N = number of N Preference Shares held by the N Holder;

Sp = the Subscription Price;

VwR = the VWAP at which Omnia Shares traded for a period of 30 (thirty) successive Trading Days prior to the Redemption Date;

VwS = the VWAP at which Omnia Shares traded for a period of 30 (thirty) successive Trading Days prior to the Subscription Date;

“Share Premium” means, in relation to each N Preference Share, a per preference share amount equal to R99.99 (ninety-nine Rand and ninety-nine cents);

“Subscription Date” means the date on which the N Holders subscribe for the N Preference Shares;

“Subscription Period” means the period commencing on the first business day immediately succeeding the Subscription Date and that ends on the business day immediately preceding the Redemption Date; and

“Subscription Price” means, in relation to each N Preference Share, a per preference share amount equal to the Par Value plus the Share Premium.

2. PREFERENCE DIVIDENDS

The N Preference Shares shall not entitle the N Holder to any dividends.

3. REDEMPTION

The N Preference Shares shall be redeemable at the instance of ExecCo at any time after 30 June 2014, such redemption shall be subject thereto that ExecCo shall have sufficient reserves available to so redeem.

Redemption shall take place by delivering and transferring to the exiting employee as many Omnia Shares as may be purchased at a price equal to the thirty-day Omnia Share VWAP on the first business day immediately preceding the Redemption Date. Arithmetically expressed as:

$$N = R / S_{wv}, \text{ where}$$

N = the number of Omnia Shares to be delivered to the N Holder;

R = the Redemption Price;

S_{wv} = the thirty-day VWAP of Omnia Shares on the first business day immediately preceding the Redemption Date.

4. LIQUIDATION

On the liquidation of ExecCo, the N Preference Shares shall confer on the Holder a right to return of capital in an amount equal to the Redemption Price divided by the number of N Preference Shares held by the Holder, such right shall rank in priority to the equivalent rights of the ordinary shareholders of ExecCo.

TERMS AND CONDITIONS OF THE SAKHILE II B CLASS SHARE

A summary of the terms and conditions of the Sakhile II B Class Share as contained in and/or extracted from the Sakhile II Articles of Association is provided below:

1. DEFINITIONS APPLICABLE TO THIS SUMMARY

“Sakhile II B Class Share Voting Event” means:

- any amendment to the Memorandum and Articles of Association of Sakhile II being effected without the prior written consent of the holder of the Sakhile II B Class Share;
- the issue of any share in Sakhile II other than in terms of the Articles of Association of Sakhile II;
- any remuneration paid to the directors without the prior written consent of the holder of the Sakhile II B Class Share; and
- any distribution being made to shareholders without the prior written consent of the holder of the Sakhile II B Class Share.

2. RIGHTS OF THE B CLASS SHARE

The following rights shall attach to the Sakhile II B Class Share:

1. the holder of the Sakhile II B Class Share shall not be entitled to participate in Distributions including Dividends;
2. at general meetings of Sakhile II the holder of the Sakhile II B Class Share shall be entitled:
 - a. to vote; and
 - b. if a Sakhile II B Class Share Voting Event occurs, the holder of the B Class Share shall be entitled to veto the proposed decision; and
3. on the liquidation of Sakhile II the Sakhile II B Class Share shall confer on its holder a right to return of capital, in priority to the rights of the holders of the Sakhile II ordinary shares, in an amount equal to the par value of such B Class Share where after the holder of such Sakhile II B Class Share shall not be entitled to any further return of capital.

SELECTED EXECCO AND SAKHILE II TRANSACTIONS FORMULAE

Formula 1 - OG Valuation Formula

The OG Valuation Formula, which is used to calculate the value of a percentage stake in OG being purchased at a particular date, is depicted as follows:

$$P = \left[\frac{(A - E)}{C} \right] * B$$

in which formula:

P = the value of the percentage stake of OG being purchased;

A = the market capitalisation of Omnia;

B = the percentage stake in OG being purchased;

C = the effective percentage shareholding of Omnia in OG, held directly or indirectly through its subsidiary, OGI, or any other subsidiary; and

E = the aggregate of (1) the Net Fair Asset Value of Omnia and (2) the Net Fair Asset Value of OGI.

Formula 2 - OG Equity Valuation Formula

The OG Equity Valuation Formula, which is used to calculate the value of a share in OG owned at a particular date, is depicted as follows:

$$P = \frac{\left[\frac{(A - E)}{C} - (D + G) \right] * B}{F}$$

in which formula:

P = the value per OG share owned;

A = the market capitalisation of Omnia;

B = the percentage shareholding owned in OG;

C = the effective percentage shareholding of Omnia in OG, held directly or indirectly through its subsidiary, OGI, or any other subsidiary;

D = the Aggregate Loan Outstandings;

E = the aggregate of: (1) the Net Fair Asset Value of Omnia and (2) the Net Fair Asset Value of OGI;

F = the total number of shares owned in the issued ordinary share capital of OG; and

G = the number of outstanding B Preference Shares multiplied by their Redemption Price (determined in accordance with their specific terms and conditions).

Formula 3 - ExecCo NAV Formula

The ExecCo NAV Formula, which is used to calculate the value of an ordinary share in ExecCo owned at a particular date, is depicted as follows:

$$Q = \frac{V - H - I}{R}$$

in which formula:

Q = the value per ExecCo ordinary share;

V = the Net Fair Asset Value of ExecCo;

H = the redemption price for all N Preference Shares that have not yet been redeemed (determined in accordance with their specific terms and conditions);

I = the value that would have attached to the ExecCo B Class Share dividend, if ExecCo were to liquidate its assets on the particular valuation date, based on the Net Fair Asset Value of ExecCo; and

R = the total number of issued shares in the ordinary share capital of ExecCo.

Formula 4 - Sakhile II NAV Formula

The Sakhile II NAV Formula, which is used to calculate the value of an ordinary share in Sakhile II owned at a particular date, is depicted as follows:

$$Q = \frac{V}{R}$$

in which formula:

Q = the value per Sakhile II ordinary share;

V = the Net Fair Asset Value of Sakhile II; and

R = the total number of issued shares in the ordinary share capital of Sakhile II.



OMNIA HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1967/003680/06)

JSE code: OMN ISIN: ZAE000005153

Board of directors:

N J Crosse (*Chairman*), F D Butler, D L Eggers* (*Group Finance Director*), N K H Fitz-Gibbon* (*Group Commercial Director*), R Havenstein, H H Hickey, R B Humphris* (*Group Managing Director*), Prof S S Loubser, Dr W T Marais, R R Masebelanga* (*Group Legal and Business Development Director*), D C Radley, T R Scott

*Executive

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a general meeting of ordinary shareholders of Omnia will be held at 09:00 on Friday, 11 December 2009 at the registered office of Omnia, being 13 Sloane Street, Epsom Downs, Bryanston, 2021 for the purposes of considering and, if deemed fit, passing, with or without modification (which modification is capable of being substantive in nature and, provided that any such substantive modification made shall not have the effect of diminishing the rights that accrue to shareholders as envisaged in the ordinary resolutions set out in this notice of general meeting), such ordinary resolutions as are set out in this notice of general meeting.

IT IS ACKNOWLEDGED THAT:

1. The Company has distributed, or caused to be distributed, a circular to its shareholders dated 26 November 2009 (the "Circular"), and attached thereto a *pro forma* copy of this resolution;
2. Terms and conditions defined in the Circular shall have the same meaning when used in this resolution;
3. The Circular sets out the detail of the Sakhile II and ExecCo Transactions (the "Transactions") and in this regard:
 - 3.1 provides a background to the Transactions;
 - 3.2 sets out the detail of the ExecCo Transaction;
 - 3.3 sets out the detail of the Sakhile II Transaction;
 - 3.4 highlights the fact that the Transactions constitute a related party transaction pursuant to Section 10 of the Listings Requirements;
 - 3.5 details the suspensive conditions relating to the Transactions;
 - 3.6 the unaudited *pro forma* financial information of the Group is attached to the Circular and contains the independent reporting accountant's report as well as opinions by an independent professional expert on the Transactions;
 - 3.7 the terms and conditions pertaining to: (1) the ExecCo B Class Share; (2) the ExecCo N Preference Shares and (3) the Sakhile II B Class Share are attached to the Circular; and
 - 3.8 generally highlights the various matters requiring shareholder attention and approval.

Having regard to the above, the SHAREHOLDERS hereby RESOLVE by means of ordinary resolution:

ORDINARY RESOLUTION NUMBER 1

Resolved THAT, to the extent required:

1. the ExecCo Transaction as detailed in the Circular is hereby approved in its entirety and without change to the detail provided in the Circular; and
2. the board of directors are authorised to do all things reasonably necessary and required to implement the ExecCo Transaction, specifically, that the board may appoint any one or more of its members to sign and execute all documents and agreements to give effect to the above.

PROVISO:

This ordinary shareholders' resolution is subject thereto that:

1. at least 50% (fifty percent) of the votes cast by the shareholders of the Company present or represented by proxy at the general meeting are cast in favour thereto; and
2. votes attaching to the shares held by any shareholder (or its associates) who is a party to or is participating in the ExecCo Transaction shall be excluded.

ORDINARY RESOLUTION NUMBER 2

Resolved THAT, to the extent required:

1. the Sakhile II Transaction as detailed in the Circular is hereby approved in its entirety and without change to the detail provided in the Circular;
2. the sale of the Sakhile II 1st Tranche as detailed in the Circular is hereby approved in its entirety and without change to the detail provided in the Circular; and
3. the board of directors are authorised to do all things reasonably necessary and required to implement the Sakhile II Transaction, specifically, that the board may appoint any one or more of its members to sign and execute all documents and agreements to give effect to the above.

PROVISO:

This ordinary shareholders' resolution is subject thereto that:

1. at least 50% (fifty percent) of the votes cast by the shareholders of the Company present or represented by proxy at the general meeting are cast in favour thereto; and
2. votes attaching to the shares held by any shareholder (or its associates) who is a party to or is participating in the Sakhile II Transaction shall be excluded.

Voting and proxies

If you hold your Omnia shares in certificated form or if you have dematerialised your Omnia shares and have elected "own-name" registration in the sub-register of Omnia maintained by a Central Securities Depository Participant ("CSDP"), you may attend, speak and vote at the general meeting in person. If you do not wish to attend, but wish to be represented thereat by proxy, you may appoint one or more proxies (who need not be shareholders of Omnia) to attend, speak and vote on your behalf at the general meeting by completing the attached form of proxy (blue) for the general meeting in accordance with the instructions it contains and returning it to the registered office of Omnia, being 13 Sloane Street, Epsom Downs, Bryanston, 2021 to be received by no later than 09:00 on Wednesday, 9 December 2009.

If you have dematerialised your Omnia shares and have not elected "own-name" registration in the sub-register of Omnia maintained by a CSDP and you wish to attend the general meeting, you should instruct your broker or CSDP to issue you with the necessary letter of representation to attend, or if you do not wish to attend the general meeting, you should provide your broker or CSDP with your voting instructions in accordance with the mandate between you and your broker or CSDP so that your votes may be represented at the general meeting.

Shareholders should note that existing treasury shares and shares held in terms of the Group's share incentive schemes will be excluded from voting on the resolutions, in terms of the Companies Act and the Listings Requirements.

By order of the board of directors

Ms C D Appollis

Company Secretary to Omnia Holdings Limited

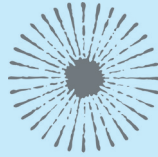
Johannesburg
26 November 2009

Registered office

Omnia House, Epsom Downs Office Park
13 Sloane Street
Epsom Downs
Bryanston, 2021
(PO Box 69888, Bryanston, 2021)

Transfer secretaries

Link Market Services South Africa
(Proprietary) Limited
(Registration number 2000/007239/07)
11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)



OMNIA HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1967/003680/06)

JSE code: OMNI ISIN: ZAE000005153

FORM OF PROXY

For use only by shareholders holding certificated shares and shareholders who have dematerialised their share certificates and have elected "own-name" registration in the sub-register maintained by the Central Securities Depository Participant ("CSDP"), at the general meeting of Omnia to be held at 09:00 on Friday, 11 December 2009 at the registered office of Omnia, being 13 Sloane Street, Epsom Downs, Bryanston, 2021.

Shareholders who have dematerialised their share certificates through a broker or CSDP and have not elected "own-name" registration in the sub-register maintained by the CSDP must **not** complete this form of proxy, but should instruct their broker or CSDP to issue them with the necessary letter of representation to attend, or if they do not wish to attend the general meeting, but wish to be represented thereat, they may provide their broker or CSDP with their voting instructions in terms of the custody agreement entered into between such shareholders and their broker or CSDP.

I/We

(full name in BLOCK LETTERS)

of

(address)

being the holder/s of ordinary shares in Omnia, hereby appoint (see note 1):

1. _____ of _____ or failing him/her,

2. _____ of _____ or failing him/her,

3. the chairman of Omnia, or failing him, the chairman of the general meeting,

as my/our proxy to vote for me/us on my/our behalf at the general meeting of Omnia to be held at 13 Sloane Street, Epsom Downs, Bryanston, 2021 at 09:00 on Friday, 11 December 2009 or at any adjournment thereof.

I/We desire to vote as follows (see note 2):

	Number of votes		
	For*	Against*	Abstain*
Ordinary resolution number 1 To approve the ExecCo Transaction			
Ordinary resolution number 2 To approve the Sakhile II Transaction and sale of the Sakhile II 1st Tranche			

* Mark with an "X" For, Against, or Abstain, as required.

Unless otherwise marked, my/our proxy may vote or abstain from voting as he/she thinks fit.

Signed at _____ on _____ 2009

Signature _____ Assisted by me (where applicable)

Please read notes on reverse hereof.

Notes:

1. A shareholder is entitled to appoint one or more proxies to attend, speak and vote in the place of that shareholder at the general meeting. A proxy need not be a shareholder of Omnia. A shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of Omnia, or failing him, the chairman of the general meeting". The person whose name stands first on this 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 shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chairman of the general meeting, if the chairman is the authorised proxy, to vote in favour of the ordinary resolutions at the general meeting, or any other proxy to vote or abstain from voting at the general meeting as he/she deems fit, in respect of the shareholder's total holding.
3. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
4. Every shareholder present in person or by proxy and entitled to vote shall, on a show of hands, have only one vote and, upon a poll, every shareholder shall have one vote for every ordinary share held.
5. The chairman of the general meeting may accept or reject any form of proxy not completed and/or received in accordance with these notes or with the articles of association of Omnia.
6. Any alteration or correction made to this form of proxy must be 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. for a company, close corporation, trust, pension fund deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by Omnia or its transfer secretaries or waived by the chairman of the general meeting.
8. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by Omnia or its transfer secretaries or waived by the chairman of the general meeting.
9. Where shares are held jointly, all joint holders are required to sign this form of proxy.
10. His/Her parent or guardian must assist a minor, unless the relevant documents establishing his/her legal capacity are produced or have been registered by Omnia or its transfer secretaries.
11. Completed forms of proxy and the authority (if any) under which they are signed must be lodged with or posted to the transfer secretaries of Omnia at Link Market Services South Africa (Proprietary) Limited, 11 Diagonal Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) to be received by no later than 09:00 on Wednesday, 9 December 2009.

