

# NOTICE OF ANNUAL GENERAL MEETING

Stor-Age Property REIT Limited  
Approved as a REIT by the JSE  
Incorporated in the Republic of South Africa  
Registration number 2015/168454/06  
Share code: SSS  
ISIN: ZAE000208963  
("Stor-Age" or "the Company")

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## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you have disposed of all your Stor-Age securities, this document should be handed to the purchaser of such securities or to the Broker, CSDP, banker or other agent through whom the disposal was affected.

If you are in any doubt as to what action you should take, please consult your Broker, banker, attorney, CSDP or other professional adviser immediately.

This document is available in English only. A copy of the document may be obtained from the registered office of the Company at the address provided on the inside back cover during normal business hours from date hereof until 24 August 2017.

Notice is hereby given to shareholders registered in Stor-Age's securities register as shareholders as at the record date of Friday, 21 July 2017 that the annual general meeting of Stor-Age will be held at the offices of KPMG, Training Room 1, 4th Floor, 1 Mediterranean Street, Foreshore, Cape Town on Thursday, 24 August 2017 at 12h00 to:

- (i) deal with such business as may lawfully be dealt with at the meeting; and
- (ii) consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions of shareholders set out hereunder in the manner required by the Companies Act, 71 of 2008, as amended ("the Act"), as read with the Listings Requirements of the JSE Limited ("the JSE Listings Requirements") on which exchange the Company's shares are listed, which meeting is to be participated in and voted at by shareholders registered in Stor-Age's securities register as shareholders as at the record date of Friday, 18 August 2017.

The last day to trade to be registered in Stor-Age's securities register by the record date of Friday, 18 August 2017, is Tuesday, 15 August 2017.

Kindly note that meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to attend, participate and vote at the meeting. Forms of identification include valid identity documents, driver's licences and passports.

When reading the resolutions below, please refer to the explanatory notes for the resolutions set out in this notice of annual general meeting.

**1. Presentation of financial statements**

The summarised consolidated financial statements of the Company (as approved by the board of directors of the Company) for the year ended 31 March 2017 have been distributed and accompany this notice as required and will be presented to shareholders at the annual general meeting together with the reports of the directors and the audit and risk committee.

The complete financial statements are set out on pages 48 to 122 of the 2017 Stor-Age Integrated Annual Report ("the integrated annual report").

The Integrated Annual report is also available on the Company's website, [www.storage.co.za](http://www.storage.co.za).

**2. Report from the social and ethics committee**

In accordance with Companies Regulation 43(5)(c), a report from the chairman or a member of the social and ethics committee will be presented to shareholders at this meeting.

**Voting requirement:**

Unless otherwise indicated, in order for each of the ordinary resolutions to be adopted, the support of more than 50% of the voting rights exercised on the resolutions by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution, is required

**3. Ordinary resolution number 1: Re-election of Mr G B H Fox as a director**

"Resolved that Mr G B H Fox, who retires by rotation in terms of clause 26.3 of the Company's memorandum of incorporation and who, being eligible, has offered himself for re-election, be re-elected as an independent non-executive director of the Company."

An abridged curriculum vitae of Mr Fox appears in Annexure 1 of this notice of annual general meeting.

**4. Ordinary resolution number 2: Re-election of Mr M S Moloko as a director**

"Resolved that Mr M S Moloko, who retires by rotation in terms of clause 26.3 of the Company's memorandum of incorporation and who, being eligible, has offered himself for re-election, be re-elected as an independent non-executive director of the Company."

An abridged curriculum vitae of Mr Moloko appears in Annexure 1 of this notice of annual general meeting.

**5. Ordinary resolution number 3: Re-appointment of auditor**

"Resolved that KPMG Inc. be re-appointed as auditor of the Company (for the financial year ending 31 March 2018), with the designated partner being Mr G M Pickering, until the conclusion of the next annual general meeting of the Company."

**6. Ordinary resolution number 4: Election of Mr G B H Fox as a member of the audit and risk committee**

"Resolved that, subject to the passing of ordinary resolution number 1, Mr G B H Fox, being an independent, non-executive director of the Company, be elected as a member and the Chairman of the audit and risk committee of the Company with effect from the end of this meeting."

An abridged curriculum vitae of Mr Fox appears in Annexure 1 of this notice of annual general meeting.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

7. **Ordinary resolution number 5: Election of Mr M S Moloko as a member of the audit and risk committee**

"Resolved that, subject to the passing of ordinary resolution number 2, Mr M S Moloko, being an independent, non-executive director of the Company, be elected as a member of the audit and risk committee of the Company, with effect from the end of this meeting."

An abridged curriculum vitae of Mr Moloko appears in Annexure 1 of this notice of annual general meeting.

8. **Ordinary resolution number 6: Election of Mr P A Theodosiou as a member of the audit and risk committee**

"Resolved that Mr P A Theodosiou, being an independent, non-executive director of the Company and Chairman of the Board, be elected as a member of the audit and risk committee of the Company, with effect from the end of this meeting."

An abridged curriculum vitae of Mr Theodosiou appears in Annexure 1 of this notice of annual general meeting.

9. **Ordinary resolution number 7: General authority to directors to issue shares for cash**

"Resolved that, subject to the restrictions set out below and subject to the provisions of the Act and the JSE Listings Requirements, the directors of the Company be authorised by way of a general authority to allot and issue any portion of the ordinary shares of the Company for cash, on the following basis:

- the equity securities which are the subject of the issue for cash must be of a class already in issue or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will only be made to "public shareholders" and not to "related parties", all as defined by the JSE Listings Requirements;
- this authority will only be valid until the Company's next annual general meeting (whereupon this authority shall lapse, unless it is renewed at the aforementioned annual general meeting, provided that it shall not extend beyond 15 months of the date of this meeting);
- issues of ordinary shares in any one financial year may not exceed 8 977 621 ordinary shares in the aggregate, which represents 5 % of the number of ordinary shares in the Company's issued share capital at the date of this notice of meeting, being 179 552 420 ordinary shares, provided that
  - in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio;
  - any such general issues are subject to exchange control regulations and approval at that point in time;
- after the Company has in terms of this authority issued ordinary shares for cash equivalent to 5% of the number of shares of that class in issue prior to that issue, the Company shall publish an announcement containing full details of such issue/s (including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 business days prior to the date that the price of the issue is agreed in writing between the issuer and the party/ies subscribing for the shares, the effects of the issue on the statement of financial position, net asset value per share, net tangible asset value per share, and in respect of the statement of comprehensive income, earnings per share, headline earnings per share and, if applicable, diluted earnings and headline earnings per share) and the intended use of the funds;
- in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 5 % of the weighted average traded price on the JSE of those shares over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party/ies subscribing for the shares."

In terms of the JSE Listings Requirements, a 75% majority of the votes cast by the shareholders present or represented by proxy at the annual general meeting of the Company is required to approve the ordinary resolution number 7 regarding the general authority to issue shares for cash.

10. **Ordinary resolution number 8: Amendment of the Rules of The Stor-Age Share Purchase and Option Scheme ("the Scheme")**

"Resolved, with effect from 1 September 2017, that

- the maximum number of Shares which may be allocated in terms of Rule 1.2.50 of the Scheme be increased from 13 940 412 to 17 687 634 (such latter number not to exceed 10% of all shares in issue by the Company at 31 March 2017) as the lesser number is insufficient for the purposes of the Scheme; and
- Rule 1.2.50 be deleted and replaced with the following "'Scheme Allocation" means the aggregate number of shares which can be offered for subscription or purchase under this Scheme, being 17 687 634 (seventeen million six hundred and eighty seven thousand six hundred and thirty four) Shares (which Shares shall not exceed 10% of the Issued Share Capital as at 31 March 2017)'."

In terms of the JSE Listings Requirements, a 75% majority of the votes cast by the shareholders present or represented by proxy at the annual general meeting of the company is required to approve ordinary resolution number 8, with votes attaching to shares owned or controlled by persons who are existing participants in the Scheme excluded from voting.

11. **Advisory endorsement: Endorsement of remuneration policy**

To consider the non-binding advisory votes set out below thereby providing the Company with the views of the shareholders regarding the

- Remuneration Policy contained in the remuneration committee's report; and
- Implementation report in regard to the Remuneration Policy.

1.1. *General approval of the Company's Remuneration Policy and Implementation Report (non-binding advisory votes 1 and 2)*

**Non-binding advisory vote 1 – approval of Company's remuneration policy**

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

**Non-binding advisory vote 2 – approval of Company's remuneration implementation report**

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

## NOTICE OF ANNUAL GENERAL MEETING (continued)

**12. Special resolution number 1: Remuneration of non-executive directors for their service as directors for the 2019 financial year**

“Resolved that, in terms of clause 28 of the Company’s memorandum of incorporation and section 66(9) of the Act, the following remuneration, which constitutes an annual retainer and is proposed to be paid to the non-executive directors for their service as directors on an all-inclusive basis, and which is proposed to be paid for the financial year ending 31 March 2019, monthly in arrears, with effect from 1 April 2018, is approved:

	Proposed annual remuneration (Rand)
Board member	196 742
Audit and risk committee member	46 292
Social and ethics committee member	23 146
Remuneration committee member	23 146

**13. Special resolution number 2: General authority to provide financial assistance to related or inter-related companies and entities**

“Resolved that, as a general authority and to the extent required by section 44 of the Act, the board of directors of the Company may, subject to compliance with the requirements of the Act, the Company’s memorandum of incorporation and the JSE Listings Requirements, authorise the Company to provide direct or indirect financial assistance, by way of loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the Company, for any purpose or in connection with any matter, including, but not limited to, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, such authority to endure for a period of two years following the date of the passing of this special resolution number 2.”

**14. Special resolution number 3: Authority to provide financial assistance to directors, prescribed officers, other employee incentive scheme beneficiaries and entities related or inter-related to them**

“Resolved that, to the extent required by section 44 of the Act, the board of directors of the Company may, subject to compliance with the requirements of the Act, the Company’s memorandum of incorporation and the JSE Listings Requirements, authorise the Company to provide direct or indirect financial assistance, by way of loan, guarantee, the provision of security or otherwise, to any present or future director or prescribed officer of the Company or of a related or inter-related company or entity, or to any other beneficiary participating in any Stor-Age or Stor-Age group employee incentive scheme, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer, beneficiary or member for the purpose of, or in connection with, the subscription of any option, or any securities issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company where such financial assistance is provided in terms of any such scheme that does not constitute an employee share scheme (as contemplated by the Act) that satisfies the requirements of section 97 of the Act, such authority to endure for a period of two years following the date of the passing of this special resolution number 3.”

**15. Special resolution number 4: Authority to provide financial assistance to directors, prescribed officers, and entities related or inter-related to them**

“Resolved that, as a general authority, the board of directors of the Company be and are hereby authorised at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, subject to compliance with the requirements of the Act, the Company’s memorandum of incorporation and the JSE Listings Requirements, to provide direct or indirect financial assistance (as defined in section 45(1) of the Act), to any director or prescribed officer of the Company or of a related or inter-related company or corporation, or to a related or inter-related company or corporation or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member, on the terms and conditions and for the amounts that the directors may determine, by way of loan, guarantee, the provision of security or otherwise.”

**Voting requirement:**

A 75% majority of the votes cast by the shareholders present or represented by proxy at the annual general meeting of the Company is required to approve special resolutions 1 to 4.

**VOTING AND PROXIES**

**A shareholder entitled to attend, speak and vote at the meeting is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak and vote in his/her stead.**

The attached form of proxy is only to be completed by those shareholders who:

- hold their ordinary shares in certificated form; or
- are recorded on a sub-register in dematerialised electronic form with “own name” registration.

All other beneficial owners who have dematerialised their ordinary shares through a Central Securities Depository Participant (“CSDP”) or broker and wish to attend the annual general meeting, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy.

It is requested that forms of proxy are lodged at or mailed to Computershare Investor Services (Pty) Limited to be received by not later than 12h00 on Tuesday, 22 August 2017. Any shareholder who does not lodge a completed form of proxy by the relevant time will nevertheless be entitled to lodge a form of proxy in respect of the annual general meeting immediately prior to the commencement thereof, with the chairperson of the annual general meeting.

# NOTICE OF ANNUAL GENERAL MEETING (continued)

## GENERAL

### Electronic participation

Please note that the Company intends to make provision for shareholders of the Company, or their proxies, who are entitled to attend thereat, to participate in the annual general meeting by way of electronic communication. In this regard, the Company intends making teleconferencing facilities available at the following locations –

- at the offices of KPMG, Training Room 1, 4th Floor, 1 Mediterranean Street, Foreshore, Cape Town (which is the location for the annual general meeting); and
- at the offices of KPMG, the Wanooka Boardroom, 1 Albany Road, Parktown, Johannesburg.

Should you wish to participate in the annual general meeting by way of electronic communication as aforesaid, you, or your proxy, will be required to attend at either of the above-mentioned locations on the date of the annual general meeting. The above-mentioned locations will be linked to each other by means of a real-time telephonic conference call facility on the date of, and from the time of commencement of, the annual general meeting. The real-time telephonic conference call facility will enable all persons to participate electronically in the annual general meeting in this manner and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the annual general meeting. The cost of the telephonic conference call facility described will be for the account of the Company.

By order of the board



H H-O Steyn  
Company secretary  
26 July 2017

### Address of registered office

216 Main Road  
Claremont  
7708  
(PO Box 53154, Kenilworth, 7745)

### Address of transfer secretaries

2nd Floor, Rosebank Towers  
15 Biermann Avenue  
Rosebank, Johannesburg, 2196  
(PO Box 61051, Marshalltown, 2107)

## *Explanatory notes to resolutions proposed at the annual general meeting of the Company*

### ***Re-election of directors retiring by rotation at the annual general meeting – ordinary resolutions numbers 1 and 2***

In accordance with clause 26.3.2 of the Company's memorandum of incorporation, one-third of the directors are required to retire at each annual general meeting and may offer themselves for re-election. In accordance with the relevant provision, it has been determined that Messrs G B H Fox and M S Moloko are due to retire from the board.

The board of directors of the Company has reviewed the composition of the board against corporate governance and transformation requirements and has recommended the re-election of the directors listed above. It is the view of the board that the re-election of the candidates referred to above would enable the Company to:

- responsibly maintain a mixture of business skills and experience relevant to the Company and balance the requirements of transformation, continuity and succession planning; and
- comply with corporate governance requirements in respect of matters such as the balance of executive, non-executive and independent directors on the board.

In addition, the directors of the Company have conducted an assessment of the performance of each of the retiring directors and have reviewed the skills, knowledge, experience, diversity and demographics represented on the board. Having received the results of that assessment and review, the board is satisfied that each of their performance continues to be effective and to demonstrate commitment to their roles. Accordingly, the board recommends to shareholders the re-election of each of the retiring directors referred to in ordinary resolutions numbers 1 and 2, by way of a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, as required under section 68(2) of the Act.

Abridged curricula vitae of the retiring directors appear in Annexure 1 of this notice of annual general meeting.

### ***Re-appointment of auditor – ordinary resolution number 3***

KPMG Inc. has indicated its willingness to continue in office and ordinary resolution number 3 proposes the re-appointment of that firm as the Company's auditor until the conclusion of the next annual general meeting.

At a Stor-Age audit and risk committee meeting held on 9 June 2017, the committee considered the independence of the auditor KPMG Inc., in accordance with section 94(8) of the Act. In assessing the independence of the auditor, the audit and risk committee satisfied itself that KPMG Inc.:

- does not hold a financial interest (either directly or indirectly) in Stor-Age;
- does not hold a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of Stor-Age;
- is not economically dependent on Stor-Age, having specific regard to the quantum of the audit fees paid by Stor-Age and its subsidiaries to KPMG Inc. during the period under review in relation to its total fee base;
- does not provide consulting or non-audit-related services to Stor-Age or its subsidiaries which fall outside of the permitted or qualified non-audit-related services as specified in the policy for the use of auditors for non-audit-related services and which could compromise or impair the auditor's independence; and
- including the individual registered auditor who undertakes the audit, does not have personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with Stor-Age or its subsidiaries.



## NOTICE OF ANNUAL GENERAL MEETING (continued)

Accordingly, the Stor-Age audit and risk committee was satisfied that KPMG Inc. is independent as contemplated by the South African independence laws and the applicable rules of the International Federation of Accountants (IFAC) and nominated the re-appointment of KPMG Inc. as registered auditor for the financial year ending 31 March 2018. On 12 June 2017 the Stor-Age board confirmed their support, subject to shareholders' approval as required in terms of section 90(1) of the Act, for the re-appointment of KPMG Inc. and Mr G M Pickering respectively as the independent registered audit firm and individual registered auditor of Stor-Age.

Furthermore the Stor-Age audit and risk committee has, in terms of paragraph 3.86 of the JSE Listings Requirements, considered and satisfied itself that KPMG Inc., the reporting accountant and individual auditor are accredited to appear on the JSE List of Accredited Auditors, in compliance with section 22 of the JSE Listings Requirements.

### ***Election of audit and risk committee members – ordinary resolutions numbers 4 to 6***

In terms of section 94(2) of the Act, the audit and risk committee is no longer a committee of the board, but a committee elected by the shareholders at each annual general meeting. Chapter 3 of the King Report on Governance for South Africa 2009 (King III) likewise requires the shareholders of a public company to elect the members of an audit and risk committee at each annual general meeting. In accordance therewith the directors should present shareholders with suitable candidates for election as audit committee members.

In terms of the Companies Regulations, at least one-third of the members of the Company's audit and risk committee at any particular time must have academic qualifications, or experience, in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management. As can be seen from the curricula vitae of the proposed members, they have experience in, among others, audit, accounting, economics, commerce and general industry.

At a meeting of the board of directors held on 12 June 2017, the board satisfied itself that, among others, the independent, non-executive directors offering themselves for election as members of the Stor-Age audit committee:

- are independent, non-executive directors as contemplated in the Act and in King III;
- are suitably qualified and experienced for audit and risk committee membership;
- have an understanding of integrated annual reporting (including financial reporting), internal financial controls, external and internal audit processes, risk management, sustainability issues and the governance processes (including information technology governance) within the Company;
- collectively possess skills which are appropriate to the Company's size and circumstances, as well as its industry;
- have an understanding of International Financial Reporting Standards, South African Statements of Generally Accepted Accounting Practice and other financial and sustainability reporting standards, regulations and guidelines applicable to the Company; and
- adequately keep up to date with key developments affecting their required skills set.

***General authority to directors to issue shares for cash – ordinary resolution number 7***

In terms of the JSE Listings Requirements, when equity securities are issued for cash (or the extinction of a liability, obligation or commitment, restraint, or settlement of expenses), amongst others, the shareholders are required to authorise the issue.

The existing general authority granted by the shareholders at the previous annual general meeting, held on 24 August 2016, will expire at the annual general meeting to be held on 24 August 2017, unless renewed. The authority may only be acted upon subject to the Act and the JSE Listings Requirements. The aggregate number of securities capable of being allotted and issued in terms of this authority is limited as set out in the resolution.

The directors consider it advantageous to renew this authority to enable the company to take advantage of any business opportunity that may arise in future.

***Amendment of the Rules of The Stor-Age Share Purchase and Option Scheme – ordinary resolution number 8***

The Rules governing The Stor-Age Share Purchase and Option Scheme currently provide that the scheme allocation thereunder will be limited to 13 940 412 shares which constitutes 7.88% of the Company's issued share capital as at 31 March 2017. Because of subsequent share issues by the Company, the actual number of shares in issue at 31 March 2017 amounts to 176 876 345. The board seeks the approval of shareholders for the increase of the total scheme allocation to a maximum number of 17 687 634 shares (not to exceed 10% of all shares in issue by the Company as at 31 March 2017) in order to align the permissible number of scheme shares with the actual shares issued by the Company. This also allows more flexibility for the purposes of awarding further incentives in accordance with the Company's remuneration policy.

The Rules governing The Stor-Age Share Purchase and Option Scheme, together with the Addenda thereto, will be available for inspection during normal business hours at the registered office of the Company set out on the inside back cover from the date of issue of this notice of annual general meeting, up to and including the date of the annual general meeting.

***Endorsement of remuneration policy – advisory endorsement number 1***

King IV™ recommends that every year the Company's remuneration policy be disclosed in three parts, namely:

- a background statement;
- an overview of the remuneration policy; and
- an implementation report,

and that shareholders be requested to pass separate non-binding advisory votes on the policy and the implementation report at the AGM.

Voting on the two resolutions enables shareholders to express their views on the Remuneration Policy adopted and on its implementation.

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

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

Accordingly, the shareholders are requested to endorse the Company's remuneration policy as set out in paragraph 11 of the annual general meeting notice.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

### ***Remuneration of non-executive directors for their service as directors for the year ending 31 March 2019 – special resolution number 1***

In terms of section 66(8) and (9) of the Act, which took effect on 1 May 2011, remuneration may only be paid to directors for their service as directors in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited in a company's memorandum of incorporation. In terms of clause 28 of the Company's memorandum of incorporation, the remuneration of the directors shall from time to time be determined by the Company in general meeting and, as such, the payment of such remuneration is not prohibited in terms of the Company's memorandum of incorporation. The remuneration hereby sought to be approved, in respect of the financial year ending 31 March 2019, is to be paid to the non-executive directors as they are not remunerated as employees of the Company, as in the case of the executive directors.

This resolution is recommended by the Company's board of directors. Full particulars of all remuneration paid to non-executive directors for their service as directors during the past year, and proposed to be paid for the 2019 financial year, are respectively set out on pages 120 to 121 and page 142 of the integrated annual report, available on our website.

Stor-Age's remuneration committee is satisfied that this remuneration is fair relative to the remuneration paid to non-executive directors of other similar sized public listed companies in South Africa for their service as directors.

### ***Authority to provide financial assistance to related or inter-related companies and entities and to directors, prescribed officers and other employee share scheme beneficiaries – special resolutions numbers 2, 3 and 4***

Notwithstanding the title of section 45 of the Act, being "Loans or other financial assistance to directors", on a proper interpretation, the body of the section may also apply to financial assistance for any purpose, provided by a company to related or inter-related companies or corporations, including, amongst others, its subsidiaries.

Furthermore, section 44 of the Act may also apply to the financial assistance so provided by a company to related or inter-related companies, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.

Both sections 44 and 45 of the Act provide, amongst others, that the particular financial assistance must be provided only pursuant to a special resolution of the shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board of directors must be satisfied that –

- (a) immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
- (b) the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

The Company would like the ability to provide financial assistance, if necessary, also in other circumstances, in accordance with section 45 of the Act. Furthermore, it may be necessary or desirous for the Company to provide financial assistance to related or inter-related companies and entities to subscribe for options or securities or purchase securities of the Company or another company related or inter-related to it. Under the Act, the Company will however require the special resolution number 2 to be adopted. In the circumstances and in order to, amongst others, ensure that the Company's subsidiaries and other related and inter-related companies and entities have access to financing and/or financial backing from the Company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution number 2.

Sections 44 and 45 contain exemptions in respect of employee share schemes that satisfy the requirements of section 97 of the Act. To the extent that any Stor-Age or Stor-Age group incentive scheme does not qualify for such exemptions, financial assistance (as contemplated in sections 44 and 45) to be provided under any such scheme will, amongst others, also require approval by special resolution. Accordingly, special resolution number 3 effectively authorises financial assistance to any of the directors or prescribed officers of the Company or of a related or inter-related company or entity (or any person related to any of them or to any company or corporation related or inter-related to them), or to any other person who is a beneficiary of the Stor-Age group incentive scheme, in order to facilitate their participation in any such scheme that does not qualify for the aforesaid exemptions.

The existing authorities granted by the shareholders at the previous annual general meeting, held on 24 August 2016, will expire at the annual general meeting to be held on 24 August 2017, unless renewed, and special resolutions 2 and 3 will therefore be appropriately renewed.

In addition, an existing authority granted by a shareholders' special resolution passed on 20 October 2015, will expire on 19 October 2017 unless renewed. This authority allows the Company to provide financial assistance for any purpose, to related or inter-related companies or corporations. In accordance with the business model of the Company, as openly stated elsewhere in this annual report, development opportunities are undertaken by related entities and held in those entities up to the stage that their occupancy levels are acceptable to the Company, whereupon the Company will exercise its pre-emptive rights to acquire the completed project. In order to ensure that the development entity (being a related party) has adequate development funding, it may be necessary for the Company to provide financial assistance and, for this reason, special resolution number 4 will allow for such assistance to be provided by the Company.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

### SUMMARY OF APPLICABLE RIGHTS ESTABLISHED IN SECTION 58 OF THE COMPANIES ACT, 2008, AS AMENDED ("ACT")

For purposes of this summary, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Act.

1. At any time, a shareholder of a company is entitled to appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, speak and vote at a shareholders meeting on behalf of the shareholder.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder.
3. Except to the extent that the memorandum of incorporation of a company provides otherwise –
  - 3.1. a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder; and
  - 3.2. a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
4. Irrespective of the form of instrument used to appoint a proxy –
  - 4.1. the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company; and
  - 4.2. should the instrument used to appoint a proxy be revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the relevant company.
5. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date –
  - 5.1. stated in the revocation instrument, if any; or
  - 5.2. upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Act.
6. Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder must be delivered by such company to –
  - 6.1. the shareholder, or
  - 6.2. the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
7. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation of the relevant company or the instrument appointing the proxy provide otherwise.
8. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy –
  - 8.1. such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
  - 8.2. the company must not require that the proxy appointment be made irrevocable; and
  - 8.3. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Act.

## ANNEXURE 1

# CVS OF DIRECTORS FOR RE-ELECTION TO THE BOARD OR AUDIT COMMITTEE

### INDEPENDENT NON-EXECUTIVE DIRECTORS

#### Mr Paul Andreas Theodosiou

Chairman – CA(SA), MBA (UCT)

Partnering with NIB in the promotion and subsequent listing of Acucap Properties Limited on the JSE, Paul successfully led Acucap as CEO for close on 15 years prior to its merger with Growthpoint in 2015. He is a former partner of KPMG.

#### Mr Gareth Bindley Henry Fox

CA(SA)

Gareth is chief financial officer of Western National Insurance Company Limited. He originally completed his articles in financial services at PwC and thereafter headed up the regulatory reporting and tax teams at Santam. He has sat on the South African Insurance Association taxation subcommittee and the Financial Services Board's SAM discussion group.

#### Mr Matthews Sello Moloko

BSc Hons, PGCE (Leicester), AMP (Wharton)

Sello is the co-founder and executive chairman of Thesele Group. He has over 25 years' experience in financial services with actuarial consulting and asset management expertise. He is the non-executive chairman of Alexander Forbes and Sibanye Gold, and is the former chief executive officer of Old Mutual Asset Managers.



Stor-Age Property REIT Limited  
 Approved as a REIT by the JSE  
 Incorporated in the Republic of South Africa  
 Registration number 2015/168454/06  
 Share code: SSS ISIN: ZAE000208963  
 ("Stor-Age" or "the Company")

**FORM OF PROXY – THE ANNUAL GENERAL MEETING OF STOR-AGE PROPERTY REIT LIMITED**

For use by the Company's shareholders who hold certificated ordinary shares and/or dematerialised ordinary shares in the Company through a Central Securities Depository Participant ("CSDP") or broker who have selected "own name" registration, in the exercise of their voting rights in respect of the ordinary shares they hold in the capital of the Company, at the annual general meeting of the company to be held at KPMG, Training Room 1, 4th Floor, 1 Mediterranean Street, Foreshore, Cape Town and at the offices of KPMG, the Wanooka Boardroom, 1 Albany Road, Parktown, Johannesburg, being the place where the Company intends to make provision for shareholders thereof, or their proxies, who are entitled to attend the annual general meeting, to participate therein by way of electronic communication, on Wednesday, 24 August 2017 at 12h00.

Not for use by the Company's shareholders who hold dematerialised ordinary shares in the Company who have not selected "own name" registration. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the annual general meeting in respect of the ordinary shares they hold in the capital of the Company, and request that they be issued with the necessary Letter of Representation to do so or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the annual general meeting in order for the CSDP or broker to vote in accordance with their instructions at the annual general meeting.

I/We \_\_\_\_\_ (Name in block letters)

of \_\_\_\_\_ (Address)

being the registered holder of \_\_\_\_\_ shares in the ordinary share capital of the Company hereby appoint:

- 1. \_\_\_\_\_ or failing him
- 2. \_\_\_\_\_ or failing him

Contact numbers: Landline \_\_\_\_\_ Mobile \_\_\_\_\_

E-mail address: \_\_\_\_\_

3. the chairperson of the meeting

as my/our proxy to act for me/us on my/our behalf at the annual general meeting, or any adjournment thereof, which will be held for the purpose of considering and, if deemed fit, passing with or without modification, the ordinary and special resolutions and advisory endorsement as detailed in this notice of annual general meeting, and to vote for and/or against such resolutions and advisory endorsement and/or abstain from voting in respect of the ordinary shares registered in my/our name(s), in accordance with the following instructions:

Please indicate with an "X" in the appropriate spaces provided how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit.

Resolutions	Number of shares		
	In favour	Against	Abstain
1 Ordinary resolution number 1: Re-election of Mr G B H Fox as a director			
2 Ordinary resolution number 2: Re-election of Mr M S Moloko as a director			
3 Ordinary resolution number 3: Re-appointment of auditor			
4 Ordinary resolution number 4: Election of Mr G B H Fox as a member and the Chairman of the audit and risk committee			
5 Ordinary resolution number 5: Election of Mr M S Moloko as a member of the audit and risk committee			
6 Ordinary resolution number 6: Election of Mr P A Theodosiou as a member of the audit and risk committee			
7 Ordinary resolution number 7: General authority to directors to issue shares for cash			
8 Ordinary resolution number 8: Amendment of the Rules governing The Stor-Age Unit Purchase and Option Scheme			
9 a. Non-binding advisory: endorsement of remuneration policy; and b. endorsement of the Implementation Report			
10 Special resolution number 1: Remuneration of non-executive directors for their service as directors (2019 financial year)			
11 Special resolution number 2: General authority to provide financial assistance to related or inter-related companies and entities			
12 Special resolution number 3: Authority to provide financial assistance to directors, prescribed officers, other employee incentive scheme beneficiaries and companies and corporations related or inter-related to them			
13 Special resolution number 4: Authority to provide financial assistance to directors, prescribed officers, and companies and corporations related or inter-related to them			

Signature \_\_\_\_\_

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Assisted by (where applicable) (full name) \_\_\_\_\_

Capacity \_\_\_\_\_ Date \_\_\_\_\_



## INSTRUCTIONS AND NOTES ON SIGNING AND LODGING THE PROXY FORM

1. A shareholder holding dematerialised ordinary shares in the Company by "own name" registration, or who holds ordinary shares in the Company that are not dematerialised may insert the name of a proxy or the name of two alternative proxies of their choice in the space(s) provided, with or without deleting "the chairperson of the meeting". The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. A proxy need not also be a shareholder of the Company.
2. The completion and lodgement of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting, in respect of their ordinary shares, in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
3. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided in order that the Company may determine the voting rights exercised in respect of the shares. Failure to comply with the above will be deemed to authorise the chairperson of the annual general meeting, if the chairperson is the authorised proxy, to vote in favour of the ordinary and special resolutions and advisory endorsement at the annual general meeting or other proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit, in respect of the ordinary shares concerned. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
4. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled. Any alteration must be signed, not initialled.
5. The chairperson of the annual general meeting may reject or accept any form of proxy which is completed and/or submitted other than in accordance with these instructions and notes.
6. Where there are joint holders of shares and if more than one such joint holder be present or represented, then the person whose name stands first in the register in respect of the shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
7. If this form of proxy is signed under power of attorney, such power of attorney, unless previously registered by the Company, must accompany the form of proxy.
8. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Company.
9. A shareholder is entitled to one vote on a show of hands and, on a poll, to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the ordinary shares held by him bears to the aggregate amount of the nominal value of all the ordinary shares issued by the Company.
10. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
11. It is requested that forms of proxy are lodged at or mailed to Computershare Investor Services (Pty) Limited to be received by not later than 12h00 on Tuesday, 22 August 2017. Any shareholder who does not lodge a completed form of proxy by the relevant time will nevertheless be entitled to lodge a form of proxy in respect of the annual general meeting immediately prior to the commencement thereof, with the chairperson of the annual general meeting.

### Hand deliveries to:

Computershare Investor Services (Pty) Limited  
2nd Floor, Rosebank Towers  
15 Biermann Avenue  
Rosebank, Johannesburg, 2196

### Postal deliveries to:

Computershare Investor Services (Pty) Limited  
PO Box 61051  
Marshalltown  
2107

Email: [Proxy@computershare.co.za](mailto:Proxy@computershare.co.za)