

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Pinnacle Holdings Limited

("Pinnacle") or ("the Company") or ("the Group")

Registration number: 1986/000334/06

Share Code: PNC

ISIN: ZAE000184149

This document is important and requires your attention. If you are in any doubt as to what action you should take in respect of the resolutions contained in this notice, please consult your Central Securities Depository Participant ("CSDP" or "Participant"), broker, banker, attorney, accountant or other professional adviser immediately.

If you have sold or otherwise transferred all of your ordinary shares in the Company, please send this document together with the accompanying form of proxy at once to the relevant transferee or to the stockbroker, CSDP, bank or other person through whom the sale or transfer was effected, for transmission to the relevant transferee.

For consistency of reference in this notice of annual general meeting (hereinafter the "AGM"), the term "MOI" is used throughout to refer to the Company's Memorandum of Incorporation (previously the Company's Memorandum and Articles of Association) which was adopted by the shareholders at the AGM of shareholders held on Friday, 26 October 2012.

Section 63(1) of the Act – Identification of meeting participants

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licenses and passports.

Notice of AGM

Notice is hereby given that the AGM of the shareholders of Pinnacle Holdings Limited will be held on Friday, 25 November 2016 at 12:00 (or at any adjournment or postponement thereof) in the boardroom of the registered offices of Pinnacle Holdings Limited, at "The Summit", 269 16th Road, Randjespark, Midrand, to transact the following business and resolutions with or without amendments approved at the meeting:

The minutes of the AGM held on Thursday, 3 December 2015 will be available for inspection at the registered office of the Company until 30 minutes immediately preceding the 2016 AGM.

Included in this document are the following:

- The notice of AGM setting out the resolutions to be proposed at the meeting, together with explanatory notes.
- Annexure A1 – Salient features of Specific Repurchase Tranche 1.
- Annexure A2 – Salient features of Pinnacle Holdings Limited Forfeitable Share Plan.
- A proxy form for completion, signature and submission to the transfer secretaries by shareholders holding Pinnacle ordinary shares in certificated form or recorded in the sub-register in electronic form in "own name". Mailing details of the transfer secretaries are detailed on the proxy form and notes thereto.
- A form of surrender (blue).

Presentation of annual financial statements and reports

The consolidated audited annual financial statements for the Company and the Group, including the external Independent Auditor's Report, the Audit Committee Report and the Directors' Report for the year ended 30 June 2016, have been distributed as required and will be presented to shareholders at the AGM.

The consolidated audited annual financial statements, together with the abovementioned reports, are set out on pages 81 to 112 of the Annual Report.

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Report from the Social and Ethics Committee

In accordance with Companies Regulation 43(5) (c), issued in terms of the Companies Act, the Chairman of the Social and Ethics Committee, or in the absence of the Chairman any member of the Committee, will present the Committee's report to shareholders at the AGM. The Report of the Social and Ethics Committee is set out on pages 23 to 26 of the Annual Report.

Special resolution number 1

To issue a general authority to the Company to repurchase its own shares

"RESOLVED THAT the Company, or a subsidiary, be and hereby is authorised, by way of general authority in terms of article 16 of the MOI, to acquire shares issued by it subject to the requirements of section 46 and 48 of the Companies Act and the Listings Requirements of the JSE Limited ("JSE") and the MOI of the Company."

It is recorded that the Listings Requirements of the JSE require, *inter alia*, that the Company or a subsidiary may make a general acquisition of shares issued by the Company only if:

- the repurchase of the ordinary shares is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- at any point in time the Company may only appoint one agent to effect any repurchases on its behalf;
- this general authority shall only be valid until the next AGM of the Company, provided that it shall not extend beyond 15 months from the date of passing of this special resolution;
- the maximum price at which the shares may be acquired will be 10% above the weighted average market value at which such ordinary shares are traded on the JSE, for such ordinary shares for the five business days immediately preceding the date on which the transaction is effected;
- any such acquisition shall not, in any one financial year, exceed 20% of the Company's issued ordinary shares as at the passing of the general authority;
- the Company or its subsidiaries may not repurchase ordinary shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements, unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing prior to the commencement of the prohibited period;
- the repurchase may only be effected, if the shareholder spread requirements as set out in paragraph 3.37 of the JSE Listings Requirements are still met after such repurchase;
- should derivatives be used, such authority is limited to paragraphs 5.68, 5.72(a), (c) and (d), of the JSE Listings Requirements;
 - when the Company has cumulatively repurchased 3% of the number of the ordinary shares in issue at the time that this general authority is granted, and for each 3% in aggregate acquired thereafter, an announcement must be made as soon as possible and in any event, by not later than 8:30 on the second business day following the day on which the relevant threshold is reached or exceeded and must contain the following information in terms of paragraph 11.27 of the JSE Listings Requirements;
 - the date(s) of repurchase(s) of securities:
 - the highest and lowest prices paid for securities so repurchased;
 - the number and value of securities repurchased;
 - the extent of authority outstanding, by number and percentage (calculated by using the number of shares in issue before any repurchases were effected);
 - a statement as to the source of funds utilised;

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- a statement by the directors that after considering the effect of such repurchase, the:
 - Company and the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the announcement;
 - assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the announcement. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited Group annual financial statements;
 - share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the announcement;
 - working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the announcement;
 - a statement confirming that paragraph 5.72 (a) has been complied with;
 - an explanation including supporting information (if any) of the impact on the repurchase on the financial information;
 - the number of treasury shares held after the repurchase;
 - the date on which the securities will be cancelled and the listing removed, if applicable; and
 - in the event that the repurchase/purchase was made during a prohibited period through a repurchase programme pursuant to paragraph 5.69 (h) and/or paragraph 14.9 (e) of Schedule 14, a statement confirming that the repurchase was put in place pursuant to a repurchase programme prior to prohibited period in accordance with the JSE Listings Requirements.
- the directors have passed a resolution authorising the repurchase, resolving that the Company or the subsidiary, as the case may be, has satisfied the solvency and liquidity test as defined in Section 4 of the Companies Act and resolving that since the solvency and liquidity test had been applied, there have been no material changes to the financial position of the Group.

The directors of the Company do not have any specific intentions for utilising this general authority as at the date of this AGM.

Reason for and effect of special resolution number 1

The reason for and effect of special resolution number 1 is to authorise the Company and/or its subsidiaries by way of a general authority to acquire Pinnacle issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the Company subject to the limitations set out above and in compliance with section 48 of the Companies Act. It is the intention of the directors of the Company to use such authority should prevailing circumstances, such as market conditions, in their opinion warrant it.

Percentage voting rights

This resolution requires at least 75% (seventy-five percent) of the voting rights exercised by shareholders present or represented by proxy and entitled to exercise voting rights on the resolution.

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Additional disclosure requirements required in terms of paragraph 11.26 of the JSE Listings Requirements

Material changes

No material changes have occurred since the announcement of the notice via SENS and the distribution of this notice as incorporated with the Annual Report.

Directors' responsibility statement

The directors of the Company, as set out on pages 6 and 7 of the Annual Report,

- have considered all the statements of fact and opinion in the Annual Report to which this notice is attached;
- accept, individually and collectively, full responsibility for such statements; and
- declare that, to the best of their knowledge and belief, such statements are correct and no material facts have been omitted, the omission of which would make any such statements false or misleading and that they have made all reasonable enquiries to ascertain such facts.

Other disclosure in terms of paragraph 11.26 of the JSE Listings Requirements

The JSE Listings Requirements require the following disclosures, which are contained in the Annual Report as tabled below: –

Requirements	Reference
Directors	Pages 6 and 7
Major shareholders	Pages 111 and 112
Directors' interests in securities	Page 101
Share capital of the Company	Page 76, 77, Note 11

Special resolution number 2

Authority to provide financial assistance in terms of section 44 of the Companies Act

“RESOLVED THAT in terms of section 44 of the Companies Act, as a general approval, the Board of the Company may from time to time authorise the Company to provide any direct or indirect financial assistance, as defined in section 44 of the Companies Act, to any person for such amounts and on such terms and conditions as the Board of the Company may determine for the purpose of or in connection with the subscription for securities to be issued by the Company or any related and inter-related companies or for the purchase of securities of the Company or related and inter-related companies, provided that the aforementioned approval shall be valid until the date of the next AGM of the Company.”

Reason for special resolution number 2

Pinnacle is from time to time, as an essential part of conducting its business, required to provide direct or indirect financial assistance in the form of financial assistance in the form of loans, guarantees, the provision of security or otherwise as contemplated in section 44 of the Companies Act for the purpose of or in connection with the subscription for securities to be issued by the Company or related and inter-related companies or for the purchase of securities of the Company or related and inter-related companies. The financial assistance is generally provided in the form of guarantees to suppliers of the Company.

In terms of the Companies Act, companies are required to obtain the approval of their shareholders by way of special resolution in order to provide financial assistance to subscribe for such securities and Pinnacle seeks approval for the Board of the Company until the next AGM to authorise the provision by the Company of financial assistance to investors in securities to be issued by the Company or related and inter-related companies as contemplated in section 44 of the Companies Act. The financial assistance will be provided as part of the day-to-day operations of the Company in the normal course of its business and in accordance with its MOI and the provisions of the Companies Act.

Approval is not sought for loans to directors and no such financial assistance will be provided under this authority.

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Effect of special resolution number 2

Special resolution number 2 will grant the directors of the Company the authority until the next AGM to authorise the provision by the Company of financial assistance as contemplated in section 44 of the Companies Act.

Compliance with section 44(3) (b)

The directors of Pinnacle will, in accordance with the Companies Act, ensure that financial assistance is only provided if the requirements of that section are satisfied, *inter alia*, that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test set out in section 4(1) of the Companies Act.

Percentage voting rights

This resolution requires at least 75% (seventy-five percent) of the voting rights exercised by shareholders present or represented by proxy and entitled to exercise voting rights on the resolution.

Special resolution number 3

To issue a general authority to the Company for a period of two years for the Company to provide financial assistance to any of its subsidiaries

“RESOLVED THAT, the Board of the Company be given general authority for a period of two years or until the AGM following the next meeting, whichever occurs first, in terms of section 45(3)(a)(ii) of the Companies Act to authorise the Company from time to time to provide any direct or indirect financial assistance, as defined in section 45(1) of the Companies Act, to any subsidiary as contemplated in section 45(2) of the Companies Act for such amounts and on such terms and conditions as the Board of the Company may determine.”

Reason for and effect of special resolution number 3

The reason for special resolution number 3 is to obtain authority to transfer funds against loan accounts between Group companies in order to continue conducting centralised treasury operations of the Group; and for the Group to continue issuing covering guarantees in favour of financial institutions and certain major suppliers for credit and advances by those organisations to the Company's operating subsidiaries, both of which practices now require shareholder approval by way of special resolution in terms of section 45 of the Companies Act.

The effect of the resolution will be to allow the Group to continue critical Group functions, including treasury operations, and to satisfy major lenders and suppliers' security requirements so that they can continue to lend to and supply the Group. Such financial assistance will be provided as part of the day-to-day operations of the Company in the normal course of its business and in accordance with its MOI and the provisions of the Companies Act.

Compliance with section 45(3) (b) of the Companies Act

The directors of the Company will, in accordance with section 45(3) (b) of the Companies Act, ensure that financial assistance is only provided if the requirements of that section are satisfied, *inter alia*, that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test set out in section 4(1) of the Companies Act.

Notice given to shareholders of the Company in terms of section 45(5) of the Companies Act of a resolution adopted by the Board authorising the Company to provide such direct or indirect financial assistance in respect of special resolution number 3:

- (a) by the time that notice of this AGM is delivered to shareholders of the Company, the Board will have adopted a resolution ("Section 45 Board Resolution") authorising the Company to provide, at any time and from time to time during the period of two years commencing on the date on which special resolution number 3 is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act (which includes lending money, guaranteeing a loan or other obligation, and securing any debt or obligation) to a related or inter-related company or corporation;

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- (b) the Section 45 Board resolution will be effective only if and to the extent that special resolution number 3 is adopted by the shareholders of the Company, and the provision of any such direct or indirect financial assistance by the Company, pursuant to such resolution, will always be subject to the Board being satisfied that:
- (i) immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act, and
 - (ii) the terms under which such financial assistance is to be given are fair and reasonable to the Company as referred to in section 45(3)(b)(ii) of the Companies Act; and
- (c) in as much as the Section 45 Board resolution contemplates that such financial assistance will in the aggregate exceed one-tenth of one percent of the Company's net worth at the date of adoption of such resolution, the Company hereby provides notice of the Section 45 Board resolution to shareholders of the Company. Such notice will also be provided to any trade union representing any employees of the Company.

Percentage voting rights

This resolution requires at least 75% (seventy-five percent) of the voting rights exercised by shareholders present or represented by proxy and entitled to exercise voting rights on the resolution.

Special resolution number 4

Repurchase of ordinary shares from Pinnacle Treasury Services Proprietary Limited ("Pinnacle Treasury Services"):

SPECIFIC REPURCHASE TRANCHE 1

Details of the repurchase of Ordinary shares from Pinnacle Treasury Services is provided in **Annexure A1**

"RESOLVED THAT, as a specific authority, the repurchase by the Company of the Specific Repurchase Tranche 1 Shares, being 5 569 974 ordinary shares from Pinnacle Treasury Services be and is hereby approved by shareholders."

The Specific Repurchase Tranche 1 is subject to the provisions of the MOI of the Company, the Companies Act and the JSE Listings Requirements, where applicable.

The directors of the Company are of the opinion that, after considering the effect of the Specific Repurchase Tranche 1:

- 1.1 the Company and the Group are in a position to repay their debts in the ordinary course of business for a period of 12 months after the Specific Repurchase Tranche 1;
- 1.2 the assets of the Company and the Group, being fairly valued in accordance with International Financial Reporting Standards, are in excess of the liabilities of the Company and the Group for a period of 12 months after the Specific Repurchase Tranche 1;
- 1.3 the ordinary share capital and reserves of the Company and the Group are adequate for a period of 12 months after the Specific Repurchase Tranche 1; and
- 1.4 the available working capital is adequate to continue the operations of the Company and the Group for a period of 12 months after the Specific Repurchase Tranche 1.

A resolution by the Board of Directors has been passed in accordance with the requirements of the Companies Act, stating that the Board has:

- 1.5 authorised the Specific Repurchase Tranche 1;
- 1.6 applied the solvency and liquidity test; and
- 1.7 has reasonably concluded that the Company will satisfy the solvency and liquidity test immediately after the Specific Repurchase Tranche 1.

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Percentage voting rights

This resolution requires at least 75% (seventy-five percent) of the voting rights exercised by shareholders present or represented by proxy and entitled to exercise voting rights on the resolution.

The shareholding of Pinnacle Treasury Services in the Company will not be taken into account for purposes of voting and quorum requirements relating to this special resolution number 4.

Reason for and effect of special resolution number 4

The reason for and effect of special resolution number 4 is to simplify the Group structure, eliminate accounting and regulatory complexities arising from treasury shares in general and save additional costs of administration.

Following the implementation of the transaction (in the aforementioned tranches) the treasury shares will be de-listed from the JSE by Pinnacle and then cancelled.

Special resolution number 5

To approve the change of the Company's name from Pinnacle Holdings Limited to Alviva Holdings Limited.

"RESOLVED THAT, in accordance with section 16(1) (c) of the Companies Act, the Company's MOI be and hereby is amended to give effect to the change of the Company's name from Pinnacle Holdings Limited to Alviva Holdings Limited."

Reason for and effect of special resolution number 5

The traditional main business of Pinnacle is that of the manufacture and distribution of information communication technology ("ICT") hardware and software. The Group's current strategy is to continue its well-established track record of consistent growth by expanding its product range and footprint beyond the narrower confines of the ICT distribution sector and further beyond the borders of South Africa. The Group has made acquisitions in ICT services and solar technology solutions and has an established finance business. It has augmented its strategic direction with a majority investment into Datacentrix Holdings Limited, a large value-added services and managed services provider. In order to distinguish the listed entity from some of its subsidiaries that bear the name "Pinnacle" and given that the Group is expanding beyond its pure ICT distribution roots, it believes it is time to change its name to a name that identifies with its new strategy of being an international holding company that operates in a number of technology sectors across the globe.

After reviewing various options for the new name of the Company, the Board decided on Alviva Holdings Limited. The name "Alviva" is derived from the word "aviva", meaning spring and originating from the word "viva", meaning to breathe new life into something.

IMPLEMENTATION OF THE CHANGE OF NAME

The proposed new name has been reserved by the Companies and Intellectual Property Commission ("CIPC"). The abbreviated name of the Company for the purposes of the JSE trading system will be "Alviva", the JSE alpha code will be "AVV" and the new ISIN will be ZAE000227484.

For a period of not less than one year, the Company will reflect the former name "Pinnacle Holdings Limited" in brackets beneath the new name of "Alviva Holdings Limited" on all documents of title.

The change of name will result in the certificated shareholders of the Company having to exchange their existing share certificates for new share certificates reflecting the new name of the Company. The procedure in respect of the surrender of share certificates is set out below.

Percentage voting rights

This resolution requires at least 75% (seventy-five percent) of the voting rights exercised by shareholders present or represented by proxy and entitled to exercise voting rights on the resolution.

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SALIENT DATES

See the section titled Salient Dates and Times disclosed on page 126 after the resolutions.

SURRENDER OF SHARE CERTIFICATES

1. Procedure for surrendering existing documents of title

- 1.1 Dematerialised shareholders need not take any action with regard to the name change as their accounts at the CSDP or broker will be automatically updated with the name change by the CSDP or broker.
- 1.2 Certificated shareholders should be aware that share certificates are no longer accepted as tradable instruments on the JSE. It is strongly recommended that certificated shareholders take this opportunity to dematerialise their shares as per the requirements of Strate. To do this, shareholders should approach a CSD Participant or their banker or broker as soon as possible to arrange for the dematerialisation of their shares. In the event that shareholders wish to retain their shares in certificated form, then the following procedures should be followed.
 - 1.2.1 Following the approval of the change of name of the Company at the AGM, it will be necessary to recall share certificates from certificated shareholders in order to replace them with new share certificates reflecting the change of name, which new share certificates will be sent to certificated shareholders, by registered post, at the risk of such shareholders.
 - 1.2.2 To facilitate the timely receipt by certificated shareholders of replacement share certificates, certificated shareholders who wish to anticipate the name change and who do not wish to deal in their existing shares prior to the name change are required to surrender their share certificates to the transfer secretaries by completing the attached form of surrender (blue) in accordance with the instructions and return it to the transfer secretaries.
 - 1.2.3 Share certificates so received will be held in trust by the transfer secretaries pending the name change being approved by shareholders at the AGM. In the event that the name change is not approved at the AGM, the transfer secretaries will, within five business days thereafter, return the share certificates to the certificated shareholders concerned, by registered post, at the risk of such shareholders.
 - 1.2.4 Those shareholders who surrender their existing share certificates by 12:00 on Friday, 10 March 2017 will have their new share certificates posted to them within five business days of the later of the record date and the date of receipt by the transfer secretaries of their existing share certificates.
 - 1.2.5 No receipt will be issued for the certificates lodged, except that lodging agents for any certificated shareholders who require special transaction receipts are requested to prepare such receipts and submit them for stamping together with the documents/s lodged.
 - 1.2.6 Should the name change be approved and implemented, shareholders who have not already surrendered their certificates will be required to do so under the cover of the attached form of surrender.
 - 1.2.7 If any existing documents of title have been lost or destroyed and the certificated shareholder provides evidence to this effect to the satisfaction of the directors, then Pinnacle may dispense with the surrender of such documents of title against provision of acceptable indemnity.
 - 1.2.8 Certificated shareholders whose registered addresses in the Company's share register are outside the common monetary area or where the relevant share certificates are restrictively endorsed are referred to paragraph 2 below.
 - 1.2.9 In the event that certificated shareholders do not complete the attached form of surrender (blue) and who later wish to obtain a share certificate in the new name of the Company, such shareholders will be required to return their share certificates to the transfer secretaries together with certified copies of identity documents, if in own name, or if otherwise, certified copies of company/trust documents.

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- 1.3 The results of the AGM approving the change of name will be released on SENS on Friday, 25 November 2016 and published in the press on Monday, 28 November 2016. Additional forms of surrender will be available on request from the office of the transfer secretaries of the Company.

2. Instructions for non-residents

In the case of certificated shareholders whose registered addresses in the Company's share register in South Africa are outside the common monetary area, or where the relevant certificates are restrictively endorsed in terms of the South African Exchange Control Regulations, the following will apply in the case of shareholders who have not dematerialised their shares with Strate:

- 2.1 Non-residents who are emigrants from the common monetary area.

The replacement share certificate reflecting the change of name will be restrictively endorsed in terms of the South African Exchange Control Regulations and will be sent to the shareholder's authorised dealer in foreign exchange in South Africa controlling their blocked assets.

- 2.2 All other non-residents

The replacement share certificate reflecting the change of name will be restrictively endorsed "non-resident" in terms of the South African Exchange Control Regulations. Shareholders who have dematerialised their shares through a CSDP or broker must not complete the form of surrender as the surrender of the relevant documents of title will be handled by their CSDP or broker in terms of the custody agreement entered into between the shareholder and the CSDP or broker on their behalf.

Special resolution number 6

To approve the fee structure to be paid to directors for their services as non-executive directors of the Company.

"RESOLVED THAT in terms of section 66(9) of the Companies Act the Company be and is hereby authorised to remunerate its directors for their services as directors and/or pay any fees related thereto on the following basis and on any other basis as may be recommended by the Remuneration Committee and approved by the Board of Directors, provided that the aforementioned authority shall be valid with effect from Friday, 25 November 2016 until the next AGM of the Company to be held in the last quarter of 2017 as follows:

	2015/2016 R	2016/2017 R
Chairmanships		
Board Chair	342 000	363 000
Board Deputy Chair		216 000
Lead Independent Director	175 000	186 000
Audit and Risk Committee	46 000	51 000
Remuneration Committee	23 000	24 000
Memberships		
Board	160 000	170 000
Audit and Risk Committee	23 000	25 000
Remuneration Committee	12 000	13 000
Social and Ethics Committee	6 000	7 000

Each fee is paid to each director who is a member of the Board or Committees referred to above. Chair fees are paid in addition to membership fees. Executive directors do not receive directors' fees.

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Reason for and effect of special resolution number 6

The reason for and effect of special resolution number 6 is for the Company to obtain the approval of shareholders by way of special resolution to remunerate its non-executive directors in accordance with the requirements of the Companies Act without requiring further shareholder approval until the next AGM.

Percentage voting rights

This resolution requires at least 75% (seventy-five percent) of the voting rights exercised by shareholders present or represented by proxy and entitled to exercise voting rights on the resolution.

Special resolution number 7

Adoption of a new share plan

In line with local and global best practice, Pinnacle intends to adopt a new share plan, namely the Pinnacle Holdings Limited Forfeitable Share Plan ("FSP") to incentivise, motivate and retain the right calibre of executives and senior management.

For further details of the FSP, refer to the explanatory notes in **Annexure A2**

"RESOLVED THAT:

- the Pinnacle Holdings Limited Forfeitable Share Plan ("FSP"), substantially in the form as set out in the rules of the respective share plan, which will be made available for inspection, be and is hereby approved as contemplated in Schedule 14 to the JSE Listings Requirements; and
- the directors be and are hereby authorised to take all such steps as may be necessary to establish and implement the FSP."

Percentage voting rights

In terms of the JSE Listings Requirements, the approval of a 75% (seventy-five percent) majority of the votes cast by shareholders present or represented by proxy at the AGM is required for the special resolution number 7 to be effective.

Reason for and effect of special resolution number 7

The FSP will be primarily used as an incentive to participants to deliver the Group's business strategy over the long-term. The intent of the FSP is to incentivise, motivate and retain executives and senior management through the award of performance shares and/or retention shares (collectively referred to as forfeitable shares).

Ordinary resolutions

The minimum percentage of voting rights required for ordinary resolutions 1 to 6 below to be adopted is more than 50% (fifty percent) of the voting rights exercised on each of the resolutions by shareholders present or represented by proxy. Ordinary resolution 7 must be passed by a 75% (seventy-five percent) majority of votes cast in favour of the resolution by all members present or represented by proxy.

1. Re-appointment of retiring directors

1.1 Mr A Tugendhaft

"RESOLVED THAT Mr A Tugendhaft, who retires in compliance with the MOI requirement that one third or more of the non-executive directors must retire at each AGM, and being eligible offers himself for re-election, be and is hereby re-elected and confirmed as a director."

A brief biography of Mr A Tugendhaft (68) is as follows:

Mr Tugendhaft is the senior partner of attorneys Tugendhaft, Wapnick Banchetti and Partners. An accomplished practitioner in commercial, corporate and tax law, he has more than 40 years' experience in practice. He is a Non-Executive Director and Non-Executive Deputy Chairman of Imperial Holdings Limited.

He acts in the capacity of Deputy Chairman of Pinnacle and is a member of the Remuneration Committee.

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1.2 Ms N Medupe

“RESOLVED THAT Ms N Medupe, who retires in compliance with the MOI requirement that one third or more of the non-executive directors must retire at each AGM, and being eligible offers herself for re-election, be and is hereby re-elected and confirmed as a director.”

A brief biography of Ms N Medupe (45) is as follows:

Ms Medupe is a founder and director of Indyebo Consulting (Pty) Ltd. Her areas of expertise include Governance, Risk, Compliance, Audit and Financial Management. She is currently a member of the South African Institute of Chartered Accountants, the Institute of Directors and the Institute of Internal Auditors. She was appointed to the Board on 29 August 2014 and serves as Chairperson of the Audit and Risk Committee and Remuneration Committee.

2. Appointment of the members of the Audit and Risk Committee

“RESOLVED THAT the following non-executive directors, all of whom qualify in terms of section 94(4) of the Companies Act, be appointed as the Chairperson and members (re-appointed) of the Audit and Risk Committee, subject to Ms N Medupe’s ratification as a director pursuant to ordinary resolution number 1.2:

2.1 Ms N Medupe (Chairperson)

2.2 Ms SH Chaba

2.3 Mr B Sibiyi

Ms N Medupe

A brief biography of Ms N Medupe is given in 1.2 above.

Ms SH Chaba

A brief biography of Ms SH Chaba (58) is as follows:

Ms Chaba was previously the HR Executive: Human Capital Development at Sasol following a period as the Chief Executive Officer for Creditworx (Pty) Ltd, a member of the Thebe Investment Corporation group of companies. Before that, she was employed by the Gauteng Provincial Government as the Executive Manager (DDG) for Public Works and Management Services and Chief Director (HR) in the Premier’s Office.

She is currently CEO and owner of Seadimo Chaba Consulting CC, a management consultancy.

She is a member of the Audit and Risk Committee as well as the Remuneration Committee and chairs the Social and Ethics Committee.

Mr B Sibiyi

A brief biography of Mr B Sibiyi (59) is as follows:

Mr Sibiyi has had extensive leadership experience in both the private and public sector. He has, in the past, headed up the Wits Business School and Business Unity South Africa (“BUSA”). He has held senior management positions in Transnet, Tongaat-Hulett Sugar, the Black Management Forum (“BMF”) and SA Breweries.

He was the founding CEO of BUSA, where he regularly engaged with government ministers and key stakeholders in the economic cluster. Also, as a past president of the BMF he lobbied the then President of South Africa on B-BBEE.

Whilst at BUSA and the BMF, he contributed to the King Code on Corporate Governance. His involvement in BUSA, the BMF and National Economic Development and Labour Council (Nedlac) enabled him to develop significant networks across government, business and labour. He is the past Chief Executive of the Chamber of Mines, which is the foremost organisation representing mining companies that produce in excess of 90% of all minerals in South Africa.

His appointment has strengthened the independence of the Board in that he serves as the Lead Independent Director.

He serves as a member of the Audit and Risk Committee, Remuneration Committee as well as the Social and Ethics Committee.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

continued

3. Re-appointment of the auditors

“RESOLVED THAT upon the recommendation given by the Audit and Risk Committee of the Company, that SizweNtsalubaGobodo Incorporated be re-appointed as auditors of the Company and Mr A Philippou be re-appointed as the designated partner who will undertake the audit of the Group, both until the date of the next AGM.”

4. Endorsement of the Company’s Remuneration Policy and its implementation

“RESOLVED THAT shareholders endorse the Company’s Remuneration Policy as detailed in the Remuneration Committee Report in the Annual Report, through a non-binding advisory vote as recommended in principle 2.27 of the King Code of Governance for South Africa 2009.”

5. Authorisation of the directors to implement the special and ordinary resolutions

“RESOLVED THAT any one director of the Company or the Company Secretary be and is hereby authorised to do all such things as are necessary and to sign all such documents issued by the Company so as to give effect to such ordinary resolutions and special resolutions with or without amendment and, where applicable, registered.”

6. Placement of unissued shares under the control of the directors

“RESOLVED THAT all of the authorised but unissued ordinary shares in the capital of the Company be and are hereby placed under the control of the directors of the Company as a general authority to allot or issue the same at their discretion in terms of and subject to the provisions of section 38 of the Companies Act, the JSE Listings Requirements and the Company’s MOI.”

7. Authority to issue shares for cash

“RESOLVED THAT the directors of the Company be and are hereby authorised by way of a general authority to allot or issue all or any of the authorised but unissued shares in the capital of the Company for cash, at the discretion of the directors, as and when suitable opportunities arise, subject to the Listings Requirements of the JSE.”

The allotment and issue of shares for cash shall be subjected to the following limitations:

- that the 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 use;
- that this authority shall not be extended beyond the next AGM or 15 months from the date of this AGM, whichever date is earlier;
- issues in terms of this authority in any one financial year shall not exceed 25 683 909 ordinary shares, which is not greater than 15% in aggregate of the number of shares (excluding treasury shares) in the Company’s issued share capital in issue at the date of this notice of the AGM. The 15% shall also take into account (and shall include, if applicable) any securities to be issued pursuant to a rights issue which has been announced which is irrevocable and fully underwritten, or securities issued in terms of an acquisition which has had the final terms announced;
- after the Company has issued equity securities in terms of the approved general issue for cash representing, on a cumulative basis within the financial year, 5% or more of the number of equity securities in issue prior to that issue, the Company shall publish an announcement giving full details of the issue, including:
 - the number of securities issued;
 - the average discount to the weighted average trading price of the securities over the 30 days prior to the date that the issue was determined and agreed by the directors of the Company; and
 - the impact on Net Asset Value, Net Tangible Asset Value and on Earnings and Headline Earnings per Share shall be published at the time of any issue representing, on a cumulative basis within a financial year, 5% or more of the number of shares in issue, prior to such issue.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

continued

- In determining the price at which shares will be issued in terms of this authority, the maximum discount permitted shall be 10% of the weighted average traded price of such shares, as determined over the 30-day business period prior to the date that the price of the issue is determined or agreed by the directors of the Company. If no shares have been traded in the said 30-day business period, a ruling will be obtained from the JSE.
- Any such issue will be made to public shareholders as defined in paragraph 4.25 to 4.27 of the JSE Listings Requirements and not to related parties.

A 75% (seventy-five percent) majority of votes cast in favour of the resolution by all members present or represented by proxy, is required for this ordinary resolution to be passed.

8. Transaction of such other matters as may be transacted at an AGM

Salient dates and times

Record date to receive notice of AGM	Friday, 23 September 2016
Notice of AGM to be posted to shareholders and announced on SENS on	Friday, 30 September 2016
Last day to trade to be recorded in the register on the record date for participation in the AGM	Tuesday, 15 November 2016
Record date to participate in and vote at the AGM	Friday, 18 November 2016
Last day for lodging forms of proxy at 12:00 on	Wednesday, 23 November 2016
AGM at 12:00 on	Friday, 25 November 2016
Results of AGM released on SENS on	Friday, 25 November 2016
Results of AGM regarding name change published in the press on	Monday, 28 November 2016
Special resolution in respect of change of name expected to be registered by the CIPC by no later than	Thursday, 23 February 2017
Finalisation date in respect of the change of name of the Company	Tuesday, 28 February 2017
Last day to trade in Pinnacle shares in respect of the change of name of the Company	Tuesday, 7 March 2017
Listing of and trading in new shares on the JSE under JSE code AVV and ISIN: ZAE000227484 from commencement of business on or about	Wednesday, 8 March 2017
Record date	Friday, 10 March 2017
Date of issue of new replacement share certificates provided that the old share certificates have been lodged by 12:00 on the record date (share certificates received after this time will be posted within five business days of receipt) on or about	Monday, 13 March 2017
Dematerialised shareholders will have their accounts at their CSDP or broker updated on	Monday, 13 March 2017

Note:

Any changes to the above dates will be announced on SENS, subject to JSE approval.

Voting and proxies

Certificated shareholders and dematerialised shareholders who hold shares in “own name” registration who are unable to attend the AGM and who wish to be represented thereat, must complete the form of proxy as attached to this notice of AGM, in accordance with the instructions contained therein and return it to the transfer secretaries to be received by no later than 12:00 on the last day for lodging forms of proxy specified in the Salient Dates and Times section above.

Completion of the relevant form of proxy will not preclude such shareholder from attending and voting (in preference to those shareholders’ proxies) at the AGM.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

continued

Every person present and entitled to vote at the general meeting shall, on a show of hands, have one vote only, and on a poll, shall have one vote for every ordinary share held or represented.

Shareholders' rights regarding proxies in terms of section 58 of the Companies Act are as follows:

1. At any time, a shareholder of a Company may appoint any individual, including an individual who is not a shareholder of that Company, as a proxy to –
 - (a) participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder; or
 - (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.
2. A proxy appointment –
 - (a) must be in writing, dated and signed by the shareholder; and
 - (b) remains valid for
 - (i) a period as set out in 23.7 of the MOI.
 - (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act, or expires earlier as contemplated in section 58(8)(d) of the Companies Act.
3. Other –
 - (a) a shareholder of the 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 the shareholder;
 - (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - (c) a copy of the instrument appointing a proxy must be delivered to the company or to another person on behalf of the 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 –
 - (a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - (c) if the appointment is revocable, a shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy, and to the 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 shareholder as of the later of –
 - (a) the date stated in the revocation instrument, if any; or
 - (b) the date on which the revocation instrument was delivered as required in section 58(4) (c) (ii) of the Companies Act.
6. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy otherwise provides.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

continued

Electronic participation

Should any shareholder wish to participate in the general meeting by way of electronic participation, that shareholder should make application in writing (including details as to how the shareholder or its representative can be contacted) to so participate to the transfer secretaries at the address below, to be received by the transfer secretaries at least five business days prior to the AGM in order for the transfer secretaries to arrange for the shareholder (and its representative) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Companies Act and for the transfer secretaries to provide the shareholder (or its representative) with details as to how to access any electronic participation to be provided. The Company reserves the right to elect not to provide for electronic participation at the AGM in the event that it determines that it is not practical to do so. The costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder so accessing the electronic participation. Shareholders are advised that participation in the AGM by way of electronic participation will not entitle a shareholder to vote. Should a shareholder wish to vote at the AGM, he/she may do so by attending and voting at the AGM either in person or by proxy.

By order of the Board



SL Grobler

Company Secretary

30 September 2016

Registered address

Pinnacle Holdings Limited
The Summit, 269, 16th Road, Randjespark, 1685, Midrand

Transfer secretaries

Computershare Investor Services Proprietary Limited
(PO Box 61051, Marshalltown, 2107)

PINNACLE
 H O L D I N G S

Technology Delivered™

PINNACLE HOLDINGS LIMITED(Incorporated in the Republic of South Africa)
(Registration number 1986/000334/06)

JSE code: PNC

ISIN: ZAE000184149

("Pinnacle Holdings" or "the Company")

CIRCULAR TO SHAREHOLDERS: SPECIFIC REPURCHASE OF TREASURY SHARES BY PINNACLE HOLDINGS

Salient dates and times relating to the Specific Repurchase Tranche 1

The definitions and interpretations set out in paragraph 2 below apply *mutatis mutandis* to this salient dates and times section of the Document:

ACTION/EVENT	2016
Record date to determine which Shareholders are entitled to receive the 2016 Annual Report (incorporating the Notice of 2016 Annual General Meeting and this Document) on	Friday, 23 September
Specific Repurchase Tranche 1 announcement published on SENS on	Friday, 30 September
2016 Annual Report (incorporating the Notice of 2016 Annual General Meeting and this Document) distributed to Shareholders on	Friday, 30 September
Specific Repurchase Tranche 1 announcement published in the South African press on	Monday, 3 October
Last day to trade for Shareholders to be recorded in the Register on the record date	Tuesday, 15 November
Record date to determine which Shareholders are entitled to participate in and vote at the 2016 AGM on	Friday, 18 November
Last date and time (12:00) by when forms of proxy must be submitted to the Company	Wednesday, 23 November
2016 Annual General Meeting held at 12:00 on	Friday, 25 November
Results of the 2016 Annual General Meeting published on SENS on	Friday, 25 November
Results of the 2016 Annual General Meeting published in the South African press on	Monday, 28 November
Specific Repurchase Tranche 1 implemented on	Wednesday, 30 November
Specific Repurchase Tranche 1 Shares de-listed from the JSE on	Friday, 2 December

Notes:

1. All dates and times set out above are subject to change and/or may be subject to certain regulatory approvals being granted. Any change to the aforementioned dates and times will be published on SENS and in the South African press.
2. A form of proxy may be handed to the Chairman of the Annual General Meeting not later than ten minutes before the Annual General Meeting is due to commence or recommence.
3. If the Annual General Meeting is adjourned or postponed to a later time and/or date, the above dates and times will change, but the applicable form of proxy submitted for the relevant Annual General Meeting will remain valid in respect of any postponement prior to convening, adjournment or postponement of that Annual General Meeting.
4. All times given in this Document are local times in South Africa.

ANNEXURE A1

continued

1. Introduction

- 1.1 Shareholders are referred to the SENS announcement dated Friday, 30 September 2016, in terms of which Shareholders were advised that Pinnacle Holdings concluded a Share Repurchase Agreement with Pinnacle Treasury Services for the repurchase of Ordinary Shares held by Pinnacle Treasury Services as treasury Shares, being the Specific Repurchase.
- 1.2 It is recorded that, subject to the required Shareholder approvals being obtained, the Specific Repurchase will be implemented in 2 (two) divisible tranches, being the Specific Repurchase Tranche 1 and the Specific Repurchase Tranche 2.
- 1.3 The purpose of this Document is to provide Shareholders with the relevant information relating to the Specific Repurchase Tranche 1, the implications thereof and to enable Shareholders to make an informed decision as to whether or not they should vote in favour of the requisite resolutions necessary to give effect to the Specific Repurchase Tranche 1.

2. Definitions and Interpretation

- 2.1 Throughout this Document unless otherwise stated, the words in the first column shall have the meanings assigned to them in the second column, words denoting one gender shall include the other, expressions denoting natural persons shall include juristic persons and associations of persons and words in the singular shall include the plural and *vice versa*:

2.1.1	"2016 Annual Report"	means the annual report of the Group for the financial year ended 30 June 2016, incorporating, <i>inter alia</i> , the Notice of Annual General Meeting and this Document;
2.1.2	"Act" or "Companies Act"	means the Companies Act, No 71 of 2008, as amended from time to time;
2.1.3	"Annual General Meeting"	means the annual general meeting of Pinnacle Shareholders to be held on Friday, 25 November 2016, at The Summit, 269 16th Road, Randjespark, Midrand, at 12:00, at which meeting the Specific Repurchase Tranche 1 will be tabled for consideration and approval by Shareholders;
2.1.4	"Authorised Share Capital"	means the authorised Ordinary Share capital of Pinnacle Holdings, details of which have been included in paragraph 6 below;
2.1.5	"Board" or "Board of Directors"	means the board of directors of Pinnacle Holdings as constituted from time to time;
2.1.6	"Broker"	means a "stockbroker" as contemplated in terms of the Financial Markets Act;
2.1.7	"Business Day"	means any day other than a Saturday, Sunday or official public holiday in South Africa;
2.1.8	"Certificated Shareholders"	means Shareholders who hold Certificated Shares;
2.1.9	"Certificated Shares"	means Shareholders represented by Share certificates or other physical Documents of Title, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
2.1.10	"CSDP"	means a Central Securities Depository Participant registered in terms of the Financial Markets Act and appointed by individual Shareholders for the purpose of and in regard to dematerialisation of their Shares;

continued

2.1.11	“Custody Agreement”	the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker governing their relationship in respect of Dematerialised Shares held by the CSDP or Broker;
2.1.12	“Dematerialised Shareholders”	means Shareholders that have dematerialised their Shares through a CSDP and have instructed such CSDP to hold their Shares on the sub-register maintained by the CSDP and forming part of the Share Register;
2.1.13	“Dematerialised Shares”	means Shares that have been dematerialised through a CSDP or Broker and are held on the sub-register of Shareholders administered by CSDPs in electronic form;
2.1.14	“this Document”	means this bound document prepared in accordance with the JSE Listings Requirements dated, Friday, 30 September 2016, setting out the details of the Specific Repurchase Tranche 1, which Document is annexed to the Notice of Annual General Meeting forming part of the 2016 Annual Report;
2.1.15	“Documents of Title”	means Share certificates, transfer deeds or forms, balance receipts or any other documents of title acceptable to Pinnacle Holdings in respect of Certificated Shareholders;
2.1.16	“Financial Markets Act”	means the Financial Markets Act, No 19 of 2012, as amended from time to time;
2.1.17	“the Group”	means Pinnacle Holdings and its Subsidiaries;
2.1.18	“Issued Share Capital”	means the issued Ordinary Share capital of Pinnacle Holdings, details of which have been included in paragraph 6 below;
2.1.19	“JSE”	means JSE Limited (Registration number 2005/022939/06), a public company registered and incorporated in South Africa and licensed under the Financial Markets Act to operate as an exchange;
2.1.20	“JSE Listings Requirements”	means the Listings Requirements of the JSE, as amended from time to time;
2.1.21	“Last Practicable Date”	means Wednesday, 28 September 2016, being the last day prior to the finalisation of this Document;
2.1.22	“MOI”	means the memorandum of incorporation of Pinnacle Holdings, as amended from time to time;
2.1.23	“Notice of Annual General Meeting”	means the notice convening the Annual General Meeting, which notice forms part of the 2016 Annual Report;
2.1.24	“Ordinary Shares” or “Shares” or “Pinnacle Shares”	means ordinary shares with a par value of 1 (one) cent each in the Authorised Share Capital of the Company;
2.1.25	“Pallidus Capital”	means Pallidus Capital Proprietary Limited (Registration number: 2015/030782/07), a private company duly incorporated in accordance with the company laws of South Africa, being the corporate and transaction advisor of the Company;
2.1.26	“Pinnacle Treasury Services”	means Pinnacle Treasury Services Proprietary Limited (Registration number: 1994/010809/07), a private company incorporated in accordance with the company laws of South Africa, being a party to the Share Repurchase Agreement and a wholly-owned subsidiary of Pinnacle Holdings;

ANNEXURE A1

continued

2.1.27	“Rand” or “R”	South African Rand, the official currency of South Africa;
2.1.28	“SENS”	means the Stock Exchange News Service of the JSE;
2.1.29	“Shareholders” or “Pinnacle Shareholders”	means beneficial holders of Pinnacle Shares;
2.1.30	“Share Repurchase Agreement – Specific Repurchase Tranche 1”	means the Share repurchase agreement dated 20 September 2016, entered into by and between Pinnacle Holdings and Pinnacle Treasury Services regarding the Specific Repurchase Tranche 1;
2.1.31	“South Africa”	means the Republic of South Africa;
2.1.32	“Specific Repurchase”	means the proposed specific repurchase by Pinnacle Holdings of the Specific Repurchase Shares held by Pinnacle Treasury Services, which repurchase will be implemented through the Specific Repurchase Tranche 1 and the Specific Repurchase Tranche 2;
2.1.33	“Specific Repurchase Shares”	means an aggregate of 12 069 974 (twelve million sixty nine thousand nine hundred and seventy four) Shares, held as treasury Shares by Pinnacle Treasury Services, which will be repurchased by Pinnacle Holdings in terms of the Specific Repurchase;
2.1.34	“Specific Repurchase Tranche 1”	means the Specific Repurchase of the Specific Repurchase Tranche 1 Shares;
2.1.35	“Specific Repurchase Tranche 1 Shares”	means 5 569 974 (five million five hundred and sixty nine thousand nine hundred and seventy four) Shares of the Specific Repurchase Shares to be repurchased in terms of the Specific Repurchase Tranche 1;
2.1.36	“Specific Repurchase Tranche 2”	means the Specific Repurchase of the Specific Repurchase Tranche 2 Shares;
2.1.37	“Specific Repurchase Tranche 2 Shares”	means the balance of the Specific Repurchase Shares to be repurchased in terms of the Specific Repurchase Tranche 2, being 6 500 000 (six million five hundred thousand) Shares;
2.1.38	“Strate”	means Strate Proprietary Limited (Registration number: 1998/022242/07), a private company registered and incorporated in South Africa, and the electronic settlement system for transactions that take place on the JSE and off-market transactions;
2.1.39	“Subsidiary”	means a subsidiary as contemplated in terms of the Companies Act;
2.1.40	“Transfer Secretaries”	means Computershare Investor Services Proprietary Limited (Registration number: 2004/003637/07), a private company duly incorporated in accordance with the laws of South Africa;
2.1.41	“VAT”	means value-added tax; and
2.1.42	“VWAP”	means volume weighted average traded price.

continued

3. Salient details of the Specific Repurchase

- 3.1 As at Friday, 30 September 2016, Pinnacle Treasury Services held a total of 12 069 974 (twelve million sixty nine thousand nine hundred and seventy four) Pinnacle Ordinary Shares as treasury Shares, constituting 6.58% (six point five eight percent) of the Company's Issued Share Capital, being the Specific Repurchase Shares.
- 3.2 The Board of Directors of the Company resolved to, subject to Shareholder approval being obtained, repurchase the Specific Repurchase Shares in two separate divisible tranches, with:
- 3.2.1 the Specific Repurchase Tranche 1 being implemented pursuant to the 2016 Annual General Meeting; and
- 3.2.2 the balance of the Specific Repurchase Shares, being the Specific Repurchase Tranche 2 Shares, being implemented pursuant to the 2017 Annual General Meeting. For the avoidance of doubt, with regards to the Specific Repurchase Tranche 2, the required Shareholder approval will be sought at the 2017 Annual General Meeting.
- 3.3 The Specific Repurchase Tranche 1 will be implemented at the VWAP of a Pinnacle Holdings Ordinary Share traded on the JSE over the 30 (thirty) trading days immediately prior to the date of signature of the Share Repurchase Agreement Specific Repurchase Tranche 1 ("Specific Repurchase Tranche 1 Repurchase Price"). As at 20 September 2016, being the date on which the Share Repurchase Agreement – Specific Repurchase Tranche 1 was signed by Pinnacle Holdings and Pinnacle Treasury Services, the Specific Repurchase Tranche 1 Repurchase Price amounted to R16.740868 (sixteen point seven four zero eight six eight Rand) per Ordinary Share. Accordingly, the consideration payable by Pinnacle Holdings to Pinnacle Treasury Services in respect of the Specific Repurchase Tranche 1 amounts to R93 246 199 (ninety three million two hundred and forty six thousand one hundred and ninety nine Rand).
- 3.4 As the Specific Repurchase Tranche 1 is intra-Group, no change in the Group's financial cash resources will transpire as a result of the implementation of same and the financial effects of the Specific Repurchase Tranche 1 are minimal. Reserves will be used to settle the Specific Repurchase Tranche 1.
- 3.5 Following the Specific Repurchase Tranche 1 being implemented, the Specific Repurchase Tranche 1 Shares so repurchased will be de-listed from the JSE by the Company and then cancelled.
- 3.6 **Financial impact of the Specific Repurchase Tranche 1:**
- 3.6.1 The impact of the Specific Repurchase Tranche 1 on the Issued Share Capital of the Company is that the Ordinary Shares in issue will be reduced by 5 569 974 (five million five hundred and sixty nine thousand nine hundred and seventy four) Ordinary Shares to 177 726 063 (one hundred and seventy seven million seven hundred and twenty six thousand and sixty three).
- 3.6.2 The Company's Share capital account will be reduced by R55 699.74 (fifty five thousand six hundred and ninety nine Rand and seventy four cents) (being the 5 569 974 (five million five hundred and sixty nine thousand nine hundred and seventy four) Ordinary Shares with a par value of 1 (one) cent per Ordinary Share).
- 3.6.3 The Company's reserves will be reduced by the difference between the purchase price and the par value of the Ordinary Shares, being 1 (one) cent per Ordinary Share as the Company will elect to make the Specific Repurchase Tranche 1 out of non-contributed tax capital which will constitute a "dividend" as per the Income Tax Act No. 58 of 1962.

4. Rationale for the Specific Repurchase

- 4.1 The Board resolved to repurchase, de-list and cancel the Specific Repurchase Shares in order to:
- 4.1.1 simplify the Group structure;
- 4.1.2 eliminate accounting and regulatory complexities arising from treasury shares in general; and
- 4.1.3 save additional costs of administration.

5. Shareholder Approval

- 5.1 The repurchase of the Specific Repurchase Shares by the Company:
- 5.1.1 for purposes of JSE Listings Requirements, constitutes a specific repurchase of shares as contemplated in terms of paragraph 5.69 of the JSE Listings Requirements, requiring Shareholder approval by way of a specific authority;

continued

- 5.1.2. for purposes of the Companies Act, specifically section 48 of the Companies Act, requires approval by Shareholders by way of a special resolution; and
- 5.1.3. for purposes of the MOI of the Company, specifically clause 16 of the MOI, requires approval by Shareholders by way of a Special Resolution.

6. The Company's Authorised and Issued Share Capital

- 6.1 Set out in the table below is the Authorised and Issued Share Capital of the Company before and after the implementation of the Specific Repurchase Tranche 1:

BEFORE THE SPECIFIC REPURCHASE TRANCHE 1:

	R
AUTHORISED SHARE CAPITAL	
300 000 000 Ordinary Shares of 1 cent each	3 000 000
ISSUED SHARE CAPITAL	
183 296 037 Ordinary Shares of 1 cent each	1 832 960.37

Prior to the implementation of the Specific Repurchase Tranche 1, the Company holds 12 069 974 (twelve million sixty nine thousand nine hundred and seventy four) Pinnacle Ordinary Shares as treasury Shares, being the Specific Repurchase Tranche 1 Shares and the Specific Repurchase Tranche 2 Shares.

AFTER THE SPECIFIC REPURCHASE TRANCHE 1:

	R
AUTHORISED SHARE CAPITAL	
300 000 000 Ordinary Shares of 1 cent each	3 000 000
ISSUED SHARE CAPITAL	
177 726 063 Ordinary Shares of 1 cent each	1 777 260.63

Following the implementation of the Specific Repurchase Tranche 1, the Company will hold 6 500 000 (six million five hundred thousand) Ordinary Shares in treasury, being the Specific Repurchase Tranche 2 Shares.

7. Supplementary information relating to the Group

- 7.1 The following information is incorporated by reference into, and forms part of, this Document.
- 7.2 This information is available for inspection at no charge, during business hours, at the registered office of the Company and the offices of the Company's sponsor and corporate and transaction advisor, which addresses are set out in the "Corporate Information" section of this Document, as well as on the Company's website: www.pinnacleholdings.co.za, from Friday, 30 September 2016, up to and including Friday, 25 November 2016.

Information Incorporated by Reference	Reference Document	Paragraph Number In Reference Document	Page Number In Reference Document
Major Shareholders	2016 Annual Report	4	111
Directors	2016 Annual Report	All	6 and 7
Directors' interest in securities	2016 Annual Report	1	101

ANNEXURE A1

continued

8. Material changes

There have been no material changes in the affairs or financial or trading position of the Company and the Group since the date of the financial year-end, being 30 June 2016, and the Last Practicable Date.

9. Directors' Responsibility Statement

The Directors of Pinnacle, whose details appear on pages 6 and 7 of the 2016 Annual Report:

- 9.1 have considered all statements of fact and opinion in this Document;
- 9.2 collectively and individually, accept full responsibility for the accuracy of the information given;
- 9.3 certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading;
- 9.4 have made all reasonable enquiries in this regard; and
- 9.5 certify that, to the best of their knowledge and belief, that this Document contains all information required by law and the JSE Listings Requirements.

10. Annual General Meeting and Shareholder Approval

10.1 Notice of Annual General Meeting

The Notice of Annual General Meeting (at which meeting the Specific Repurchase Tranche 1 will be considered) forms part of this Document.

The Annual General Meeting will be held at The Summit, 269 16th Road, Randjespark, Midrand on Friday, 25 November 2016 at 12:00.

10.2 If you hold Dematerialised Sharers

10.2.1 Own-name Registration

You are entitled to attend in person, or be represented by proxy, at the Annual General Meeting. If you are unable to attend the Annual General Meeting but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, to be received by the Transfer Secretaries by no later than 12:00 on Wednesday, 23 November 2016.

DELIVERY BY HAND

Computershare Investor Services
Proprietary Limited
Ground Floor, 70 Marshall Street
Johannesburg 2001

POSTAL DELIVERIES

Computershare Investor Services
Proprietary Limited
PO Box 61051
Marshalltown 2107

10.2.2 Other than Own-name Registration

You are entitled to attend, or be represented by proxy, at the Annual General Meeting. You must advise your CSDP or Broker timeously if you wish to attend, or be represented at the Annual General Meeting.

If you do wish to attend or be represented at the Annual General Meeting, your CSDP or broker will be required to issue the necessary letter of representation to you to enable you to attend or to be represented at the Annual General Meeting.

You must not complete the attached form of proxy. If your CSDP or Broker does not contact you, you are advised to contact your CSDP or Broker and provide them with your voting instruction.

If your CSDP or Broker does not obtain any instruction from you, they will be obliged to act in terms of your mandate furnished to them.

10.3 If you hold Certificated Shares

You are entitled to attend, or be represented by proxy, at the Annual General Meeting. If you are unable to attend the Annual General Meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, to be received by the Transfer Secretaries, by no later than 12:00 on Wednesday, 23 November 2016.

DELIVERY BY HAND

Computershare Investor Services
Proprietary Limited
Ground Floor, 70 Marshall Street
Johannesburg 2001

POSTAL DELIVERIES

Computershare Investor Services
Proprietary Limited
PO Box 61051
Marshalltown 2107

ANNEXURE A1

continued

11. Experts' consents

Pallidus Capital, Deloitte & Touche Sponsor Services Proprietary Limited ("Deloitte") and Computershare have provided their written consents to act in the capacity stated and to their names being used in this Document and have not withdrawn their consent prior to the publication of this Document.

12. Expenses relating to the Specific Repurchase Tranche 1

The expenses relating to the Specific Repurchase Tranche 1 are estimated at approximately R245 921 (excluding VAT) and comprise the following:

Expense description	R
Tugendhaft Wapnick Banchetti and Partners – Legal fees	85 000
Pallidus Capital – Transaction and corporate advisor	82 500
Computershare – Transfer Secretaries	20 000
JSE Documentation fees	18 421
Printing and publication costs	40 000
TOTAL	245 921

13. Working Capital Statement

The Directors are of the opinion that the working capital available to the Group is sufficient for the Group's present working capital requirements and will, post implementation of the Specific Repurchase Tranche 1, be adequate for at least 12 (twelve) months from the issue date of this Document.

14. Documents available for inspection

Copies of the following documents will be available for inspection by Pinnacle Holdings Shareholders at the registered office of Pinnacle Holdings from Friday, 30 September 2016 up to and including the date of the Annual General Meeting, during normal business hours:

- 14.1 a signed copy of this Document;
- 14.2. a signed copy of the Share Repurchase Agreement – Specific Repurchase Tranche 1;
- 14.3. the MOI of Pinnacle Holdings and the memoranda of incorporation of Pinnacle Holdings' Subsidiaries; and
- 14.4. the written consents of Pallidus Capital, Deloitte and Computershare as set out in paragraph 11 of the Document.

Signed for and on behalf of the Board of Directors of Pinnacle Holdings Limited



Richard Lyon

Chief Financial Officer

(Signed on behalf of all of the Directors of the Company in terms of powers vested in him by powers of attorney with full power of substitution given by each of the Directors of the Company in favour of Mr Lyon.)

Midrand
30 September 2016

Salient Features of Pinnacle Holdings Limited Forfeitable Share Plan

INTRODUCTION

In line with local and global best practice, Pinnacle Holdings Limited (“Pinnacle” or “the Company”) intends to adopt a new share plan, namely the Pinnacle Holdings Limited Forfeitable Share Plan (“FSP”) to incentivise, motivate and retain the right calibre of executives and senior management.

The FSP provides participants with the opportunity to be Awarded Forfeitable Shares in the Company in the form of Performance Shares and/or Retention Shares so as to enable the participants to share in the success of the Company, and be placed in a similar position as shareholders. Through the delivery of real shares under the FSP, participants will become shareholders in the Company and will have all shareholder rights (including dividends) from the settlement date, shortly after the Award date.

Where terms are capitalised, these terms bear the defined meaning as per the definitions contained in the FSP rules.

THE SALIENT FEATURES OF THE FSP ARE DETAILED BELOW.

Purpose

The FSP will be primarily used as an incentive to participants to deliver the Group’s business strategy over the long-term. The intent of the FSP is to incentivise, motivate and retain executives and senior management through the Award of Performance Shares and/or Retention Shares (collectively referred to as Forfeitable Shares) as follows:

- The Award of Performance Shares, the Vesting of which is subject to the satisfaction of Performance Conditions, in line with the Group’s business strategy, and the Employment Condition;
- The Award of Retention Shares, the Vesting of which is subject to the satisfaction of the Employment Condition, only in specific ad-hoc instances where the Remuneration Committee (“RemCom”) recognises key talent instrumental in delivering the Group’s business strategy.

The Performance Condition(s) applicable to the Performance Shares is/are approved by the RemCom annually and specifically included in the Performance Share Award Letter. The Employment Condition is the requirement for continued employment of the participant by Pinnacle for the duration of a certain number of years from the Award Date.

Participants [14.1(a)]

Eligible employees will include executive directors, prescribed officers and senior management of any Employer Company within Pinnacle. Participation in the FSP is not a condition of employment, and the RemCom has the absolute discretion to make an Award to any employee in terms of the FSP.

Rights of participants [14.1(e)]

Under the FSP, participants will become owners of the Forfeitable Shares from the settlement date, shortly after the Award Date, and will immediately benefit from dividends and have shareholder voting rights in respect of the Forfeitable Shares until the Vesting Date. The Forfeitable Shares cannot be disposed of by the participant prior to the Vesting Date and will be subject to forfeiture and disposal restrictions until the Vesting Date.

Basis of Awards and Award levels [14.1(f)]

In line with the requirements of King III, draft King IV and best practice, regular, annual Awards of Performance Shares will be made on a consistent basis to ensure long-term shareholder value creation. The FSP provides for the Award of Retention Shares for use in specific cases where there is a retention risk. This separate arrangement for retention is in line with King III, which recommends that any retention policy/Awards should be ring-fenced and disclosed separately.

The number of Performance Shares/Retention Shares Awarded to participants will primarily be based on the participant’s individual performance, annual salary, level of seniority for purposes of market benchmarking, performance, retention and attraction considerations. Performance Shares will Vest on the basis of Company performance.

ANNEXURE A2

continued

It is envisaged that for the first Award of Forfeitable Shares, only Performance Shares will be Awarded to Participants and that the use of Retention Shares will be on an ad-hoc and limited basis, where the RemCom has reviewed and satisfied itself that a retention requirement exists.

Overall Award levels will be decided by the RemCom each time that Awards are made, by taking into account the particular circumstances at that time e.g. company affordability, retention considerations, and exceptional company performance. Annual Awards will be benchmarked and set to a market-related level of remuneration whilst considering the overall affordability thereof to the Company.

Performance Conditions and Vesting

Performance Shares will be subject to the fulfilment of both the pre-determined Performance Conditions and the Employment Condition over the Employment Period. The Employment Period will typically be 3 (three) years from Award Date.

The RemCom will set appropriate Performance Conditions, Performance Periods, Employment Conditions and Employment Periods, as relevant, for each Award, taking into account the business environment at the time of making the Awards, and where considered necessary, in consultation with shareholders. Each of these details of the Award will be agreed with the Participants in terms of individual Award Letters.

It is envisaged that the first Award of Performance Shares will be subject to the following Performance Conditions:

1. Return on Equity ("RoE") with a weighting of 30%;
2. Core Headlines Earnings Per Share ("HEPS") with a weighting of 40%; and
3. Total shareholder return (calculated as share price plus dividends) with a weighting of 30%.

The table below sets out the targets and Vesting scale that will be applied:

Performance condition	Threshold – 30% Vesting	Target – 70% Vesting	Stretch – 100% Vesting
RoE	15%	17.5%	20%
Core HEPS	R2.49	R2.60	R2.71
Total shareholder return (calculated as share price plus dividends)	R21.30	R23.40	R25.60

Linear Vesting will be applied for performance between levels.

Manner of settlement

Following the making of an Award of Forfeitable Shares, Settlement shall take place within 30 (thirty) days of the Award Date. The rules of the FSP are flexible in order to allow for Settlement in any of the following manners:

- by way of a market purchase of shares;
- use of treasury shares;
- issue of shares.

The exact method of Settlement will be determined by the RemCom, although the preference will be a market purchase of shares as it causes no dilution to shareholders.

In order to effect any forfeiture of Awards, the Forfeitable Shares will be held by an Escrow Agent on behalf of the Participant until they Vest.

continued

Limits and adjustments

The maximum number of shares which may at any one time be allocated under the FSP and the Pinnacle Forfeitable Share Plan shall not exceed 9 164 802 shares, which represents approximately 5% of the Company's total issued share capital as at the date of approval of the FSP by shareholders. This is in line with market best practice.

Shares issued by the Company or shares held in treasury which are used to settle the FSP, will be included in the company limit. Forfeitable Shares allocated under the FSP which are not subsequently Settled to a Participant as a result of the forfeiture thereof, will be excluded in calculating the company limit. Similarly, any shares purchased in the market in settlement of the FSP will be excluded. [14.1(b)] The RemCom must, where required, adjust the company limit (without the prior approval of shareholders in a general meeting), to take account of a sub-division or consolidation of the shares of the company. [14.3(a)]

The maximum number of shares which may be allocated to an individual in respect of all Vested and unvested Awards under the FSP may not exceed 1 832 960 shares, which represents approximately 1% of the number of the Company's total issued share capital as at date of approval of the FSP. [14.1(c)] The RemCom may, where required, adjust the individual limit to take account of a capitalisation issue, a special distribution, a rights issue or reduction in capital of the Company. [14.3(b)]

The auditors, or other independent advisor acceptable to the JSE, shall confirm to the JSE in writing that any adjustment made in terms of this paragraph has been properly calculated on a reasonable and equitable basis, in accordance with the rules of the FSP and must be reported on in the company's financial statements in the year during which the adjustment is made. The issue of shares as consideration for an acquisition, and the issue of shares or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to the company limit and the individual limit. [14.3(d), (e)]

Consideration [14.1(d)(i)]

The Participant will give no consideration for the Award or Settlement of the shares.

Termination of employment [14.1(h)]

Participants terminating employment due to resignation or dismissal on grounds of misconduct, poor performance, dishonest behaviour or fraudulent conduct or on the basis of abscondment will be classified as "bad leavers" and will forfeit all unvested Awards of Forfeitable Shares.

Participants terminating employment due to death, ill-health, disability, injury, retrenchment, retirement (except to the extent that it constitutes bad leaver termination as set out above), or the sale of a subsidiary company will be classified as "good leavers" and a portion of his unvested Award(s) shall Vest on Date of Termination of Employment. This portion will reflect the number of months served since the Award Date to the Date of Termination of Employment over the total number of months in the Employment Period and the extent to which the Performance Condition(s) (if applicable) has been met. The remainder of the Award will lapse.

Change of Control [14.1(g)]

In the event of a Change of Control of the Company occurring before the Vesting Date of any Award, a portion of the Award will Vest. In respect of Retention Shares, the portion of the Award which shall Vest will reflect the number of complete months served since the Award Date to the Change of Control Date, over the total number of months in the Employment Period. In respect of the portion of the Award of Performance Shares that shall Vest, the RemCom will calculate whether and the extent to which the Performance Conditions have been satisfied with reference to the immediately preceding financial year and the number of complete months served since the Award Date to the Change of Control Date, over the total number of months in the Employment Period.

The portion of the Award which does not Vest as a result of the Change of Control will, except on the termination of the FSP, continue to be subject to the terms of the Award Letter, unless the RemCom determines otherwise.

Awards will not Vest as a consequence of an internal reconstruction or similar event which is not a Change of Control as defined in the rules of the FSP. In this case the RemCom shall make such adjustment to the number of Awards or convert Awards into Awards in respect of shares in one or more of the other companies, provided the participants are no worse off.

ANNEXURE A2

continued

Variation of share capital

In the event of a variation in share capital such as a capitalisation issue, subdivision of shares, consolidation of shares etc, Participants shall continue to participate in the FSP. The RemCom may make such adjustment to the Award or take such other action to place Participants in no worse a position than they were prior to the happening of the relevant event and to provide that the fair value of the Award immediately after the event is materially the same as the fair value of the Award immediately before the event.

The issuing of shares as consideration for an acquisition, and the issuing of shares or a vendor consideration placing, will not be regarded as a circumstance that requires any adjustment to the Awards.

Liquidation

If the Company is placed into liquidation, other than for purposes of reorganisation, an Award of Performance Shares and/or Retention Shares shall ipso facto lapse as from the Liquidation Date. [14.1(e)]

Amendment [14.2]

The RemCom may alter or vary the rules of the FSP as it sees fit, however in the following instances the FSP may not be amended without the prior approval of the JSE and a resolution by the shareholders of 75% of the voting rights:

- the category of persons who are eligible for participation in the FSP;
- the number of shares which may be utilised for the purpose of the FSP;
- the individual limitations on benefits or maximum entitlements;
- the basis upon which Awards are made;
- the amount payable upon the Award, settlement or Vesting of an Award;
- the voting, dividend, transfer and other rights attached to the Awards, including those arising on a liquidation of the Company;
- the adjustment of Awards in the event of a variation of capital of the Company or a Change of Control of the Company; and
- the procedure to be adopted in respect of the Vesting of Awards in the event of termination of employment.

General

The Rules of the FSP are available for inspection from Monday, 3 October 2016 to Friday, 25 November 2016 at the Company's registered office, being The Summit, 269 16th Road, Randjespark, Midrand.

In terms of the JSE Listings Requirements, the passing of special resolution number 7 requires the approval of a 75% majority of the voting rights exercised on the resolution.



Technology Delivered™

Technology Delivered™

Pinnacle Holdings Limited
(Previously Pinnacle Technology Holdings Limited)
(Registration number 1986/000334/06)
Share code: PNC • ISIN: ZAE000184149
("Pinnacle" or "the Company")

Only to be completed by certificated and dematerialised shareholders with "own name" registration.

If you are a dematerialised shareholder, other than with "own name" registration, do not use this form. Dematerialised shareholders other than those with "own name" registration who wish to attend the annual general meeting, must inform their CSDP or broker of their intention to attend and request their CSDP or broker to issue them with the relevant Letter of Representation to attend the annual general meeting in person and vote, or, if they do not wish to attend the meeting in person, but wish to be represented thereat, provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and their CSDP or broker in the manner and cut-off time stipulated therein.

An ordinary shareholder entitled to attend and vote at the annual general meeting to be held in the Pinnacle Holdings Limited boardroom at The Summit, 269, 16th Road, Randjespark, Midrand, on Friday, 25 November 2016 at 12:00, is entitled to appoint a proxy to attend, speak or vote thereat in his/her stead. A proxy need not be a shareholder of the Company.

All forms of proxy must be lodged at the Company's transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 12:00 on Wednesday, 23 November 2016.

I/We (please print name in full)

of (address) Telephone number:

E-mail address: Cellphone number:

being an ordinary shareholder(s) of the Company holding ordinary shares in the Company do hereby appoint

1. or failing him/her

2. or failing him/her

3. the chairman of the annual general meeting

as my/our proxy to vote on my/our behalf at the abovementioned annual general meeting (and any adjournment thereof) to be held at 12:00 in the Pinnacle Holdings Limited boardroom at The Summit, 269, 16th Road, Randjespark, Midrand, on Friday, 25 November 2016, for the purpose of considering and, if deemed fit, passing with or without modifications, the following resolutions to be considered at such meeting:

	Number of votes (one per share)		
	In favour of	Against	Abstain
Special resolutions			
1. Issue of a general authority for the Company to repurchase its own shares			
2. Issue of a general authority to provide financial assistance in terms of section 44 of the Companies Act			
3. Issue of a general authority to provide financial assistance to any of its subsidiaries			
4. Issue of a specific authority to repurchase ordinary shares from Pinnacle Treasury Services (Pty) Ltd			
5. Approval to change the Company's name from Pinnacle Holdings Limited to Alviva Holdings Limited			
6. Approval of the fee structure to be paid to non-executive directors			
7. Adoption of a new share plan			
Ordinary resolutions			
1. Re-appointment of retiring directors			
1.1 Re-appointment of Mr A Tugendhaft as a non-executive director			
1.2 Re-appointment of Ms N Medupe as an independent non-executive director			
2. Appointment of the Audit and Risk Committee members			
2.1 Ms N Medupe – Chairperson			
2.2 Ms SH Chaba – Member			
2.3 Mr B Sibiyi – Member			
3. Approval to re-appoint SizweNtsalubaGobodo Incorporated and Mr A Philippou as auditors			
4. Endorsement of the Company's Remuneration Policy and its implementation			
5. Authorisation of the directors to implement the special and ordinary resolutions			
6. General authorisation to place unissued shares under the control of the directors			
7. General authorisation to issue shares for cash			

Insert an "X" in the appropriate block. If no indications are given, the proxy will vote as he/she deems fit. Each member entitled to attend and vote at the meeting may appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote in his/her stead.

Signed at _____ on _____ 2016

Signature _____

Assisted by (where applicable) _____

Please read the notes on the following page.

NOTES TO THE FORM OF PROXY

1. A shareholder may insert the names of a proxy or the names of two alternative proxies of the member's choice in the space provided, with or without deleting "the chairman of the meeting", but any such deletion must be initialed by the shareholder. The person whose name appears first on the proxy and which has not been deleted shall be entitled to act as proxy to the exclusion of those names following.
2. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each ordinary share held. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit in respect of all the shareholder's votes.
3. A vote given in terms of an instrument of proxy shall be valid in relation to the annual general meeting notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the ordinary shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the transfer secretaries or by the chairman of the annual general meeting before the commencement of the annual general meeting.
4. If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the general meeting, be proposed, the proxy shall be entitled to vote as he/she thinks fit.
5. The authority of a person signing a proxy in a representative capacity must be attached to the proxy unless that authority has already been recorded with the Company's transfer secretary or waived by the chairperson of the annual general meeting.
6. 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 capacity are produced or have been registered with the transfer secretaries.
7. Where there are joint holders of ordinary shares: any one holder may sign the form of proxy; the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of ordinary shareholders appear in the Company's register) who tender a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
8. Proxies must be lodged at or posted to the Company's transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received not later than 12:00 on Wednesday, 23 November 2016.
9. Any alteration or correction made to this form of proxy other than the deletion of alternatives must be initialed by the signatory/ies.
10. The completion and lodging of this proxy shall not preclude the relevant shareholder from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
11. The chairperson of the meeting may reject or accept a proxy that is completed other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.

FORM OF SURRENDER

PINNACLE

H O L D I N G S

Technology Delivered™

Pinnacle Holdings Limited
(Previously Pinnacle Technology Holdings Limited)
(Registration number 1986/000334/06)
Share code: PNC • ISIN: ZAE000184149
("Pinnacle" or "the Company")

FORM OF SURRENDER OF DOCUMENT OF TITLE FOR USE BY CERTIFICATED PINNACLE ORDINARY SHAREHOLDERS (CERTIFICATED SHAREHOLDERS) ONLY.

Instructions:

1. This form of surrender is for use by certificated shareholders who will be receiving certificated Pinnacle ordinary shares in the Company after the name change of the Company and, when completed, should be sent to the transfer secretaries.
2. Replacement share certificates will not be sent to certificated shareholders unless and until a form of surrender and the documents of title in respect of the relevant shares have been surrendered to the transfer secretaries.
3. Part A must be completed by all Pinnacle shareholders who have not yet dematerialised their share certificates or other documents of title. Dematerialised shareholders must **not** complete a form of surrender as the appropriate action will be taken by their CSDP or broker.
4. If this form of surrender is received by the transfer secretaries with the relevant documents of title prior to the re-designation becoming effective, it will be treated as a conditional surrender which is made subject to the name change becoming effective. Such surrendered documents of title will be held in trust by the transfer secretaries until the name change becomes effective. In the event of the name change not becoming effective, for any reason whatsoever, the transfer secretaries will within 5 (five) business days after either the date upon which it becomes known that the name change will not be able to be implemented, or, after subsequent receipt of surrendered documents of title, whichever is the later return the relevant documents of title to the certificated shareholders concerned, at their risk, by registered post.
5. Part B must be completed by all emigrants from and non-residents of the common monetary area who are recorded in the securities register of Pinnacle and who have not yet dematerialised their documents of title.
6. A separate form of surrender is required for each certificated shareholder.

Please refer to the instructions above and the notes overleaf before completing this form of surrender.

To: Pinnacle Holdings Limited

care of: Computershare Investor Services Proprietary Limited
Ground Floor,
70 Marshall Street
Johannesburg, 2001
(PO Box 61763, Marshalltown, 2107)

Dear Sirs,

I/We, the undersigned, being the registered holder of the number of shares specified below, which are free of encumbrances, hereby surrender the enclosed documents of title identified below in respect of the shares held by me/us in Pinnacle, conditional upon the special resolution in respect of the amendment of the Company's Memorandum of Incorporation and name change of the Company passed (and the subsequent filing of the memorandum of incorporation with and approval thereof by CIPC) at the annual general meeting to be held on Friday, 25 November 2016.

I/We hereby instruct you to post a replacement certificate in respect of the shares surrendered to me, by registered post, at my/our risk, to the address given overleaf, on the terms set out in the Annual Report dispatched to shareholders to which this form of surrender was attached. I/We acknowledge that if no address is stated overleaf, the replacement certificate will be sent to my/our address recorded on the relevant sub-register.

My/Our signature(s) on this form of surrender constitutes my/our execution of this instruction.

Signature of shareholder	Date	2016.
Surname/Name of corporate body	Stamp and address of agent lodging this form (if any)	
First names (in full) (if applicable)		
Title (Dr, Prof, Mr, Mrs, Miss, Ms, etc)		
Telephone number ()		
Cell phone number		
E-mail address		
Assisted by me (if applicable)		
Date	2016	
State full name and capacity		

Postal address (preferably PO Box address) to which replacement certificates should be sent, if other than the address contained in the securities register of shareholders:

Postal code:

In order to comply with the requirements of the Financial Intelligence Act, 2001 (Act 38 of 2001), Computershare Investor Services Proprietary Limited will be unable to record any change of address mandated unless the following documentation is received from the relevant shareholder:

- An original certified copy of your identity document;
- An original certified copy of a document issued by the South African Revenue Services to verify your tax number, if you do not have one please submit this in writing and have the letter signed by a Commissioner of Oaths; and
- An original or an original certified copy of a service bill to verify your residential address.

