



HYPROP
INVESTMENTS LIMITED

25 YEARS

OF EXCELLENCE

NOTICE OF COMBINED
ANNUAL GENERAL MEETING
OF SHAREHOLDERS AND
DEBENTURE HOLDERS

To be held on 27 June 2013

Property investment excellence

NOTICE OF COMBINED ANNUAL GENERAL MEETING “AGM” OF SHAREHOLDERS AND DEBENTURE HOLDERS

Hyprop Investments Limited
(Incorporated in the Republic of South Africa)
(Registration number 1987/005284/06)
(JSE code: HYP ISIN: ZAE 000003430)
 (“Hyprop” or “the Company”)

Notice is hereby given that the annual general meeting of shareholders of Hyprop (“shareholders”) and debenture holders of Hyprop (“debenture holders”) will be held at the offices of Hyprop, 2nd Floor, Cradock Heights, 21 Cradock Avenue, Rosebank on Thursday, 27 June 2013 at 10:00 for the purposes of:

- A. Considering and adopting the directors’ report, the annual financial statements and the Audit Committee report of the Company for the year ended 31 December 2012 contained in the integrated annual report of the Company for the same period (the “integrated annual report”). A copy of the integrated annual report will be posted to shareholders together with this notice of annual general meeting on 15 May 2013. An electronic copy of the integrated annual report is available on the Company’s website, www.hyprop.co.za;
- B. Transacting any other business as may be transacted at an annual general meeting of shareholders of a Company, including the re-appointment of the auditors and re-election of retiring directors;
- C. Considering and, if deemed fit, adopting with or without modification, the Special and Ordinary Resolutions set out below, including without limitation those resolutions required to approve the adoption of the Hyprop Investments Limited Employee Incentive Scheme (the details of which are set out in Annexure 1 attached to this notice of annual general meeting).

IMPORTANT DATES TO NOTE:

	2013
Record date for receipt of notice purposes	Friday, 10 May
Integrated annual report posted on	Wednesday, 15 May
Last day to trade in order to be eligible to participate in and vote at the annual general meeting	Thursday, 13 June
Record date for voting purposes (“voting record date”)	Friday, 21 June
Last day to lodge forms of proxy for the annual general meeting by 10:00	Tuesday, 25 June
Annual general meeting (at 10:00)	Thursday, 27 June
Results of annual general meeting released on SENS	Thursday, 27 June
Results of annual general meeting published in the press on	Friday, 28 June

Due to the expanded meaning of “shareholder” in section 57(1) of the Companies Act, 71 of 2008, as amended (the “Companies Act” or “Act”) the Company has expanded its notice to shareholders and debenture holders for a “combined” annual general meeting. Due to Hyprop’s combined unit structure (that is each Hyprop ordinary share of no par value (an “ordinary share”) may only be issued indivisibly linked to one debenture issued in terms of the Hyprop Debenture

Trust Deed (a “debenture”) as a combined unit (a “combined unit”)), its shareholders are also its debenture holders and the matters to be voted on at the annual general meeting are matters on which shareholders, and not debenture holders, are entitled to vote. As a result, a proxy form has only been included for shareholders.

In terms of section 62(3)(e) of the Companies Act:

- a shareholder who is entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the meeting in the place of the shareholder;
- a debenture holder who is entitled to attend the annual general meeting is entitled to appoint a proxy or two or more proxies to attend and participate (but not vote) in the meeting in the place of the debenture holder;
- a proxy need not be a shareholder of the Company.

ORDINARY RESOLUTION 1: ADOPTION OF ANNUAL FINANCIAL STATEMENTS

“Resolved that the annual financial statements of the Company for the year ended 31 December 2012 be and are received and adopted.”

In order for this Ordinary Resolution 1 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 2: CONFIRMATION OF APPOINTMENT OF JA MABUZA AS DIRECTOR

“Resolved that the appointment of JA Mabuzza as a director of the Company be confirmed.”

An abridged *curriculum vitae* is set out on page 30 of the integrated annual report.

In order for this Ordinary Resolution 2 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 3: RE-ELECTION OF KM ELLERINE AS DIRECTOR

“Resolved that KM Ellerine who retires by rotation in terms of the Company’s Memorandum of Incorporation and who, being eligible, offers himself for re-election, be re-elected as a director of the Company.”

An abridged *curriculum vitae* is set out on page 31 of the integrated annual report.

In order for this Ordinary Resolution 3 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

NOTICE OF COMBINED ANNUAL GENERAL MEETING “AGM” OF SHAREHOLDERS AND DEBENTURE HOLDERS (CONTINUED)

ORDINARY RESOLUTION 4: RE-ELECTION OF L NORVAL AS DIRECTOR

“Resolved that L Norval who retires by rotation in terms of the Company’s Memorandum of Incorporation and who, being eligible, offers himself for re-election, be re-elected as a director of the Company.”

An abridged *curriculum vitae* is set out on page 31 of the integrated annual report.

In order for this Ordinary Resolution 4 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 5: RE-ELECTION OF LLS VAN DER WATT AS DIRECTOR

“Resolved that LLS van der Watt who retires by rotation in terms of the Company’s Memorandum of Incorporation and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

An abridged *curriculum vitae* is set out on page 31 of the integrated annual report.

In order for this Ordinary Resolution 5 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 6: RE-ELECTION OF LR COHEN AS DIRECTOR

“Resolved that LR Cohen who retires by rotation in terms of the Company’s Memorandum of Incorporation and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

An abridged *curriculum vitae* is set out on page 32 of the integrated annual report.

In order for this Ordinary Resolution 6 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 7: RE-APPOINTMENT OF MEMBERS OF THE AUDIT COMMITTEE

“Resolved that the members of the Company’s Audit Committee set out below, being eligible, be and are hereby reappointed, each by way of a separate vote, with effect from the end of this annual general meeting in terms of section 94(2) of the Companies Act, until the next annual general meeting of the Company. The membership as proposed by the Remuneration and Nomination Committee is:

- 7.1 LI Weil (Chairman);
- 7.2 L Engelbrecht; and
- 7.3 GR Tipper.

all of whom are independent, non-executive directors.”

A brief *curriculum vitae* of each of the above Audit Committee members is set out on pages 30 and 31 of the integrated annual report.

In order for each of Ordinary Resolution 7.1, Ordinary Resolution 7.2 and Ordinary Resolution 7.3 to be passed, the support of at least 50% of the total number of votes, exercisable by shareholders, present in person or by proxy, is required in respect of each such resolution.

ORDINARY RESOLUTION 8: RE-APPOINTMENT OF EXTERNAL AUDITORS

“Resolved that Grant Thornton be re-appointed as the auditors of the Company and EFG Dreyer be appointed as the individual registered auditor of the Company from the conclusion of this annual general meeting until the conclusion of the next annual general meeting.”

The Audit Committee has nominated for appointment as auditors of the Company under section 90 of the Companies Act Grant Thornton and EFG Dreyer.

In order for this Ordinary Resolution 8 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 9: UNISSUED COMBINED UNITS

“Resolved that 5% of the authorised but unissued ordinary shares (which upon issue are indivisibly linked to debentures as combined units) of the Company be and is hereby placed under the control of the directors of the Company until the next annual general meeting, with the authority to allot and issue all or part thereof in their discretion, as combined units subject to the Companies Act, the existing Memorandum of Incorporation of the Company, the Hyprop Debenture Trust Deed and the Listings Requirements (the “Listings Requirements”) of the JSE Limited (the “JSE”).”

In order for this Ordinary Resolution 9 to be passed, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 10: GENERAL AUTHORITY TO ISSUE COMBINED UNITS FOR CASH

“Resolved that, subject to the restrictions set out below and subject to the provisions of the Companies Act and the Listings Requirements, the directors of the Company be and are hereby authorised until this authority lapses at the next annual general meeting of the Company, provided that this authority shall not extend beyond 15 months, to allot and issue ordinary shares (indivisibly linked to debentures as combined units (“combined units”)) of the Company for cash on the following bases:

- a) the combined units 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 combined units or rights as are convertible into a class already in issue;

- b) the allotment and issue of combined units for cash shall be made only to persons qualifying as “public shareholders”, as defined in the Listings Requirements, and not to “related parties”;
- c) combined units which are the subject of general issues for cash:
 - (i) in aggregate in any one financial year may not exceed 3% of the Company’s combined units in issue of that class (for purposes of determining the combined units comprising the 3% number in any one year, account must be taken of the dilution effect, in the year of issue of options or convertible securities, by including the number of any equity securities which may be issued in future arising out of the issue of such convertible securities or the exercise of such options);
 - (ii) of a particular class will be aggregated with any securities that are compulsorily convertible into securities of that class and, in the case of the issue of compulsorily convertible securities, by including the number of equity securities which may be issued in future arising out of the issue of such convertible securities (or the exercise of such options);
 - (iii) as regards the number of combined units which may be issued (the 3% number), same shall be based on the number of combined units of that class in issue added to those that may be issued in future (arising from the exercise / conversion of options/convertible securities), at the date of such application:
 - (1) less any combined units of the class issued, or to be issued in future arising from options/convertible securities issued, during the current financial year (which commenced 1 January 2013);
 - (2) plus any combined units of that class to be issued pursuant to:
 - (aa) a rights issue which has been announced, is irrevocable and is fully underwritten; or
 - (bb) an acquisition (in respect of which final terms have been announced) which acquisition issue securities may be included as though they were securities in issue at the date of application; and
- d) the maximum discount at which combined units may be issued is 5% of the weighted average traded price of such combined units measured over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the combined units.”

In terms of the Listing Requirements, in order for Ordinary Resolution 10 to be passed, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

ORDINARY RESOLUTION 11: ADOPTION OF THE HYPROP INVESTMENTS LIMITED EMPLOYEE INCENTIVE SCHEME ("CONDITIONAL UNIT PLAN" OR "CUP")

“Resolved that the Conditional Unit Plan, a copy of which has been tabled at this meeting and initialled by the chairman for the purposes of identification, be and is hereby approved.”

In accordance with the JSE Listings Requirements, in order for Ordinary Resolution 11 to be passed, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Further information regarding the Conditional Unit Plan is set out in Annexure 1 to this notice of annual general meeting.

The Conditional Unit Plan will be available for inspection at the offices of Hyprop, 2nd Floor, Cradock Heights, 21 Cradock Avenue, Rosebank, from the date of issue of this notice of annual general meeting to the date on which the annual general meeting is held.

SPECIAL RESOLUTION 1: ALLOTMENT AND ISSUE OF COMBINED UNITS TO EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS

“Resolved that, subject to the passing of Ordinary Resolution 11 above, pertaining to the approval of the Hyprop Investments Limited Conditional Unit Plan, to the extent required by section 41 of the Companies Act, the board of directors of the Company may, subject to compliance with the requirements of the Company’s Memorandum of Incorporation and the Companies Act, each as presently constituted and as amended from time to time, authorise the Company to allot and issue ordinary shares (indivisibly linked to debentures as combined units) in the capital of the Company, or the equivalent thereof following any amendments made to the capital of the Company as a result of legislative amendments applicable to the Company, to executive directors, future executive directors, prescribed officers and future prescribed officers of the Company and persons related or inter-related, as defined in the Companies Act, to an executive director or prescribed officer of the Company pursuant to the Hyprop Investments Limited Conditional Unit Plan, which forms the subject matter of Ordinary Resolution 11.”

In order for Special Resolution 1 to be passed, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Reason for Special Resolution 1

The Company would like the ability to allot and issue ordinary shares (indivisibly linked to debentures as combined units) to executive directors, future executive directors, prescribed officers and future prescribed officers of the Company and persons related or inter-related, as defined in the Companies Act, to an executive director or prescribed officer of the Company pursuant to the Hyprop Investments Limited Conditional Unit Plan.

SPECIAL RESOLUTION 2: COMBINED UNIT REPURCHASES

“Resolved that the Company or any of its subsidiaries be and are hereby authorized by way of a general approval to acquire ordinary shares (indivisibly linked to debentures as combined units (“combined units”)) by the Company, in terms of sections 46 and 48 of the Companies Act, and in terms of the Listings Requirements on the basis that:

- a) any acquisition of combined units shall be implemented through the order book of the JSE and without prior arrangement;

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- b) this general authority shall be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 months from the date of passing this special resolution;
- c) the Company (or any subsidiary) is duly authorised by its Memorandum of Incorporation (“MOI”) to do so;
- d) acquisitions of combined units in the aggregate in any one financial year may not exceed 20% (or 10% where the acquisitions are effected by a subsidiary) of the Company's issued ordinary share capital as at the date of passing this special resolution;
- e) in determining the price at which combined units issued by the Company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such combined units may be acquired will be 10% of the weighted average of the market value on the JSE over the five business days immediately preceding the repurchase of such combined units;
- f) at any point in time the Company (or any subsidiary) may appoint only one agent to effect repurchases on its behalf;
- g) repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the Listings Requirements) unless a repurchase programme is in place (where the dates and quantities of combined units to be repurchased during the prohibited period are fixed) and full details thereof are or have been announced on SENS prior to commencement of the prohibited period;
- h) an announcement will be published, as soon as the Company or any of its subsidiaries have acquired combined units constituting, on a cumulative basis, 3% of the number of combined units in issue prior to the acquisition pursuant to which the aforesaid threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions;
- i) the board of directors of the Company must resolve that the repurchase is authorised, that the Company and its subsidiaries have passed the solvency and liquidity test, as set out in section 4 of the Companies Act, and since that test was performed, that there have been no material changes to the financial position of the group; and
- j) the Company's sponsor will confirm the adequacy of the Company's working capital for the purpose of undertaking the repurchase, in writing, prior to the repurchase of any combined units.”

In accordance with the Listings Requirements the directors record that although there is no immediate intention to effect a repurchase of the combined units of the Company, the directors will utilise this general authority to repurchase combined units as and when suitable opportunities present themselves, which may require expeditious and immediate action.

The directors undertake that, after considering the maximum number of combined units that may be repurchased and the price at which the repurchases may take place pursuant to the buy-back general authority, for a period of 12 months after the date of notice of this annual general meeting:

- the Company and the group will, in the ordinary course of business, be able to pay their debts;

- the consolidated assets of the Company and the group fairly valued in accordance with International Financial Reporting Standards, will exceed the consolidated liabilities of the Company and the group fairly valued in accordance with International Financial Reporting Standards; and
- the Company's and the group's share capital, reserves and working capital will be adequate for ordinary business purposes.

The following additional information which appears in the integrated annual report (page references as below), is provided in terms of paragraph 11.26 of the Listings Requirements for the purposes of this general authority:

- Directors and management - pages 30 to 33;
- Major beneficial shareholders - page 69;
- Directors' interests in combined units - page 67; and
- Capital structure of the Company – pages 92 and 93.

Litigation statement

In terms of section 11.26 of the Listings Requirements, the directors, whose names appear on pages 30 to 32 of the integrated annual report, are not aware of any legal or arbitration proceedings including proceedings that are pending or threatened, that may have or have had in the recent past (being at least the previous 12 months) a material effect on Hyprop's financial position.

Directors' responsibility statement

The directors whose names appear on pages 30 to 32 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the Companies Act and the Listings Requirements.

Material changes

Other than the facts and developments reported on in the integrated annual report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the date of signature of the audit report for the financial year ended 31 December 2012 and up to the date of this notice.

In order for Special Resolution 2 to be passed, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Reason for and effect of Special Resolution 2

The reason for Special Resolution 2 is to afford the directors of the Company (or a subsidiary of the Company) general authority to affect a buy-back of the Company's ordinary shares (indivisibly linked to debentures as combined units) on the JSE. The effect of the resolution will be that the directors will have the authority, subject to the Listings Requirements and the Companies Act to effect acquisitions of the Company's combined units on the JSE.

SPECIAL RESOLUTION 3: FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED PARTIES

“Resolved that, to the extent required by section 45 of the Companies Act, the board of directors of the Company may, subject to compliance with the requirements of the Company’s Memorandum of Incorporation, the Companies Act and the Listings Requirements, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance, as contemplated in section 45 of the Companies Act, by way of loans, guarantees, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related (as defined in the Companies Act) to the Company for any purpose or in connection with any matter, such authority to endure until the next annual general meeting provided that such authority shall not extend beyond two years.”

In order for this Special Resolution 3 to be passed, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Reason for and effect of Special Resolution 3

The Company would like the ability to provide financial assistance, in appropriate circumstances and if the need arises, in accordance with section 45 of the Companies Act. Under the Companies Act, the Company will, however, require the special resolution referred to above to be adopted, provided that the board of directors of the Company is satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company and, immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test contemplated in the Companies Act. In the circumstances and in order to, *inter alia*, ensure that the Company’s subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the Company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in Special Resolution 3. Therefore, the reason for and effect of Special Resolution 3 is to permit the Company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 45 of the Act) to the entities referred to in Special Resolution 3 above.

Notice in terms of section 45(5) of the Companies Act in respect of Special Resolution 3

Notice is hereby 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 as specified in the Special Resolution above:

- by the time that this notice of annual general meeting is delivered to shareholders of the Company, the board will have adopted a 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 the Special Resolution is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any one or more related or inter-related companies or corporations

of the Company and/or to any one or more members of any such related or inter-related company, or corporation and/or to any one or more persons related to any such company or corporation;

- the section 45 board resolution will be effective in respect of each of the applicable resolutions only if and to the extent that the Special Resolution is adopted by the shareholders of the Company, and the provision of any such direct or indirect financial assistance by the Company, pursuant to any 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 that (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
- inasmuch as the section 45 board resolution contemplates that such financial assistance will, in the aggregate, exceed 1/10th of 1% 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.

SPECIAL RESOLUTION 4: APPROVAL OF NON-EXECUTIVE DIRECTORS’ FEES PROPOSED FOR THE YEAR ENDING 31 DECEMBER 2013

“Resolved that the non-executive directors’ fees proposed for the year ending 31 December 2013 as set out below, be and are approved:

	2013 (R)	2012 (R)
Board Chairman	285 000	265 000
Non-executive director	183 000	170 000
Audit Committee chairman	136 500	127 000
Audit Committee member	114 000	106 000
Remuneration and Nomination Committee member	40 000	21 000
Risk Committee member	40 000	21 000
Social and Ethics Committee member	40 000	21 000
Investment Committee member per meeting	5 000	5 000

In order for this Special Resolution 4 to be passed, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Reason for and effect of Special Resolution 4

The reason for and effect of Special Resolution 4 is to pre-approve the remuneration and fees payable to the non-executive directors as required in terms of sections 66(8) and (9) of the Companies Act, 71 of 2008, as amended.

NOTICE OF COMBINED ANNUAL GENERAL MEETING “AGM” OF SHAREHOLDERS AND DEBENTURE HOLDERS (CONTINUED)

ORDINARY RESOLUTION 12: SIGNATURE OF DOCUMENTATION

“Resolved that any director of the Company or the Company secretary be and is hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of Ordinary Resolution numbers 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 and Special Resolution numbers 1, 2, 3 and 4, which are passed by the shareholders with and subject to the terms thereof.”

In order for Ordinary Resolution 12 to be passed, the support of at least 50% of the total number of votes, exercisable by shareholders, present in person or by proxy, is required.

Quorum

A quorum for the purposes of considering the resolutions above shall consist of three shareholders of the Company personally present (or if the shareholder is a body corporate, it must be represented) and entitled to vote at the annual general meeting. In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by Hyprop shareholders in respect of each matter to be decided at the annual general meeting.

The date on which Hyprop shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107), for the purposes of being entitled to attend, participate in and vote at the annual general meeting is Friday, 21 June 2013.

Shareholders

General instructions

Shareholders are encouraged to attend, speak and vote at the annual general meeting.

Electronic participation

The Company has made provision for shareholders or their proxies to participate electronically in the annual general meeting by way of telephone conferencing. Should you wish to participate in the annual general meeting by telephone conference call as aforesaid, you, or your proxy, will be required to advise the Company thereof by no later than 10:00 on Tuesday, 25 June 2013 by submitting by e-mail to

the Company secretary at pbs@probitysecretaries.co.za or by fax to be faxed to +27 11 327 7149, for the attention of Neville Toerien, relevant contact details, including:

- an e-mail address;
- cellular number and landline; and
- full details of the shareholder's title to securities issued by the Company and proof of identity:
 - For certificated ordinary shares - copies of identity documents and share certificates
 - For dematerialised ordinary shares - written confirmation from the shareholder's Central Securities Depository Participant (“CSDP”) confirming the shareholder's title to the dematerialised ordinary shares.

Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the annual general meeting. Shareholders must note that access to the electronic communication will be at the expense of the shareholders who wish to utilise the facility. Shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the annual general meeting through this medium.

Proxies and authority for representatives to act

A form of proxy is attached for the convenience of any shareholder holding certificated ordinary shares, who cannot attend the annual general meeting but wishes to be represented thereat.

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

- holding shares in certificated form; or
- recorded on the Company's sub-register in dematerialised electronic form with “own name” registration.

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

Forms of proxy must be deposited at the Transfer Secretaries, Computershare Investor Services Proprietary Limited at 70 Marshall Street, Johannesburg or by fax on +27 11 688 6238 to be received no later than 10:00 on Tuesday, 25 June 2013. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the annual general meeting should the shareholder decide to do so.

A company that is a shareholder, wishing to attend and participate at the annual general meeting should ensure that a resolution authorising a representative to so attend and participate at the annual general meeting on its behalf is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the Company's transfer secretaries prior to the annual general meeting.

Debenture holders

General instructions

Debenture holders are encouraged to attend and speak at the annual general meeting.

Electronic participation

The Company has made provision for its debenture holders or their proxies to participate electronically in the annual general meeting by way of telephone conferencing. Should you wish to participate in the annual general meeting by telephone conference call as aforesaid, you, or your proxy, will be required to advise the Company thereof by no later than 10:00 on Tuesday, 25 June 2013 by submitting by e-mail to the Company secretary at pbs@probitysecretaries.co.za or by fax to be faxed to +27 11 327 7149, for the attention of Neville Toerien, relevant contact details, including:

- an e-mail address;
- cellular number and landline; and
- full details of the debenture holder's title to securities issued by the Company and proof of identity:
 - For materialised debentures - copies of identity documents and debenture certificates
 - For dematerialised debentures - written confirmation from the debenture holder's CSDP confirming the debenture holder's title to the dematerialised debentures.

Upon receipt of the required information, the debenture holder concerned will be provided with a secure code and instructions to access the electronic communication during the annual general meeting. Debenture holders must note that access to the electronic communication will be at the expense of the debenture holder who wishes to utilise the facility.

Proxies and authority for representatives to act

Due to Hyprop's combined unit structure (that is each Hyprop combined unit comprises one ordinary indivisibly linked to one debenture), its shareholders are also its debenture holders and the matters to be voted on at the annual general meeting are matters on which shareholders and not debenture holders are entitled to vote. As a result, a proxy form has only been included for shareholders.

Debenture holders wishing to appoint a proxy or two or more proxies to attend and participate (but not vote) in the annual general meeting, may contact the Company secretary on pbs@probitysecretaries.co.za or by fax on +27 11 327 7149, to obtain such form of proxy.

Company Secretary

Probity Business Services Proprietary Limited

Registered office of the Company

2nd Floor Cradock Heights
21 Cradock Avenue, Rosebank

Transfer secretaries

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

THE HYPROP INVESTMENTS LIMITED EMPLOYEE INCENTIVE SCHEME

In this Annexure 1 to the notice of annual general meeting, unless inconsistent with the context, an expression which denotes one gender includes the other gender, a natural person includes a juristic person and vice versa, the singular includes the plural and vice versa and the expressions set out in the first column bear the meaning assigned to them in the second column.

“Allocated”	for purposes of setting the Plan limits referred to in Rule 5 of the Plan, shall mean one Unit allocated per Performance Unit and/or Retention Unit Awarded;
“annual general meeting”	the annual general meeting of Hyprop shareholders and Hyprop debenture holders to be held at Hyprop’s registered office at 10h00 on Thursday, 27 June 2013, convened for the purpose of considering and if deemed fit, passing, with or without modification, the resolutions (including without limitation the resolutions required for the adoption and implementation of the Plan) set out in the notice of annual general meeting to which this Annexure 1 is attached;
“Auditors”	the auditors of the Company from time to time;
“Award”	an award of a specified number of Retention Units or Performance Units, or a combination of both; made to the Participant on the basis that the Participant may forfeit the rights to the Retention Units or Performance Units in the circumstances set out in the Award Letter, and “Awarded” shall bear a similar meaning;
“Award Date”	the date, specified in the Award Letter, on which an Award is made to an Employee (being a date not earlier than the date on which the Remuneration Committee resolved to make such Award to the Employee) irrespective of the date on which the Award is actually accepted by the Employee, unless otherwise instructed or specified in the Rules;
“Award Letter”	a letter containing the information specified in Rule 6.2.1 of the Plan sent by the Company or its nominee, and on the recommendation of the Employer Company, to an Employee informing the Employee of the making of an Award to him;
“board”	the board of directors of Hyprop at the date of this notice of annual general meeting;
“Capitalisation Issue”	a capitalisation issue as contemplated in section 47 of the Act;
“certificated shareholders”	Hyprop shareholders who hold certificated shares;
“certificated shares”	Hyprop shares which have not been dematerialised into the Strate system, title to which is represented by share certificates or other physical documents of title;
“Change of Control”	where a person (or persons acting together in concert), who did not have Control of the Company, through a transaction, or series of transactions, acquire Control of the Company;
“Companies Act” or “the Act”	the Companies Act, 2008 (Act 71 of 2008), as amended;
“Control”	means: (a) the holding of Units or the aggregate of holdings of Units or other securities in the Company entitling the holder thereof to exercise, or cause to be exercised, more than 50% (fifty percent) of the voting rights at Unitholders meetings of the Company; or (b) the holding or control by a Unitholder or member alone or pursuant to an agreement with other Unitholders or members of more than 50% of the voting rights in the Company; or (c) the entitlement, directly or indirectly, to appoint a majority of Directors of the board of Directors of the Company, or to appoint or remove Directors having a majority of the votes exercisable at meetings of the board of Directors of the Company;
“Co-owned Property”	any property owned by the Company where the Company owns less than 100% of the property by way of an undivided share;
“Date of Termination of Employment”	the date upon which a Participant is no longer permanently employed by, or ceases to hold salaried office in, the Company or any Employer Company; provided that, where a Participant’s employment is terminated without notice or on terms in lieu of notice, the Date of Termination of Employment shall be deemed to occur on the date on which the termination takes effect, and where such employment is terminated with notice, the Date of Termination of Employment shall be deemed to occur upon the date on which that notice expires;
“dematerialised shareholders”	Hyprop shareholders who hold dematerialised shares;
“dematerialised shares”	Hyprop shares which have been incorporated into the Strate system, title to which is not represented by share certificates or other physical documents of title;
“Directors”	directors of the Company from time to time;

“Employee”	any person holding permanent salaried employment or office with the Company or any Employer Company, but excluding any non-executive director of the Group;
“Employer Company”	the Company or any company (including a Co-owned Property) in the Group which employs a Participant and which will have an obligation to Settle Units to such Participant, unless otherwise provided for;
“Financial Year”	the financial year of the Company, running from 1 January to 31 December of each year, as at the date of adoption of the Plan, but which the Company intends to change from 1 July to 30 June of each year;
“Hyprop” or “the Company” or “the Group”	Hyprop Investments Limited (Registration number 1987/005284/06), a public company duly incorporated in South Africa and listed on the JSE;
“Hyprop debenture”	an unsecured variable rate debenture in Hyprop with a face value of 493 cents governed by the Hyprop debenture trust deed;
“Hyprop debenture holders”	the registered holders of Hyprop debentures;
“Hyprop share”	a no par value share of the Company;
“Hyprop shareholders”	the registered holders of Hyprop shares;
“Hyprop Units” or “Units”	Hyprop combined units listed on the JSE, each comprising one Hyprop share indivisibly linked to one Hyprop debenture;
“Hyprop Unitholders” or “Unitholders”	holders of Hyprop Units;
“integrated annual report”	the Company’s integrated annual report for the year ended 31 December 2012. A copy of the integrated annual report is being sent to shareholders and debenture holders together with this notice of annual general meeting. An electronic copy of the integrated annual report is available on the Company’s website, www.hyprop.co.za ;
“JSE”	JSE Limited (Registration number 2005/022939/06), a company incorporated in South Africa and licensed as an exchange under the Securities Services Act, 2004 (Act 36 of 2004), as amended;
“JSE Listings Requirements”	the JSE Listings Requirements, as amended from time to time;
“Memorandum of Incorporation”	the Memorandum of Incorporation of Hyprop from time to time;
“notice of annual general meeting”	the notice convening the annual general meeting of shareholders and debenture holders, to which this Annexure 1 is attached;
“Participant”	an Employee who has accepted an Award made to him in terms of the Plan and includes the executor of such Employee’s deceased estate where appropriate;
“Performance Condition”	a condition of Vesting of an Award of Performance Units, as set out in the Award Letter;
“Performance Period”	the period in respect of which a Performance Condition is to be satisfied, as set out in the Award Letter;
“Performance Units”	the conditional Units comprised in the Award that are subject to the Vesting Condition and Performance Condition;
“Plan” or “CUP”	the Conditional Unit Plan;
“Prohibited Period”	a closed period as defined in the JSE Listings Requirements applicable to the Company from time to time; or any other period when, as determined by the board of the Company, there exists any matter, which constitutes unpublished price sensitive information in relation to the Company’s securities;
“Remuneration Committee”	the remuneration committee of the Board of Directors, the members of which do not hold any executive office within the Group and who will not be eligible for participation in the Plan;
“Retention Units”	the conditional Units comprised in the Award that are subject to the Vesting Condition;
“Retirement”	in relation to a Participant, the normal retirement age as determined by the Company, which at the time of approval of these Rules is 65 years of age, or with the approval of the Remuneration Committee, prior to the normal retirement age;
“Rules”	the Rules of the Plan, as amended from time to time;
“SENS”	the Stock Exchange News Service, the news service operated by the JSE;

THE HYPROP INVESTMENTS LIMITED EMPLOYEE INCENTIVE SCHEME (CONTINUED)

“Settlement”	registration in the name of, and delivery to, a Participant of the required number of Units to which the Participant is entitled pursuant to the Vesting of an Award, in accordance with the Settlement method stipulated in Rule 8.3 of the Plan and the words “Settle” and “Settled” shall bear a corresponding meaning;
“Settlement Date”	the date on which Settlement of the Performance Units and/or Retention Units shall occur;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Limited (Registration number 1998/022242/06), a company incorporated in South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
“Subsidiary”	a company which is a subsidiary of the Company within the meaning of the Act;
“transfer secretaries”	Computershare Investor Services (Proprietary) Limited, a company incorporated in South Africa, the details of which are set out on the inside back cover of the notice of annual general meeting;
“Vesting Condition”	the condition of continued employment with the Group for the duration of the Vesting Period, as specified in the Award Letter;
“Vest”	a Participant becoming unconditionally entitled to the Units (free of any restrictions and further conditions that could result in forfeiture) on the fulfilment of the Vesting Condition as set out in the Award Letter and confirmation by the Remuneration Committee that the Performance Condition (if applicable) has been fulfilled;
“Vesting Date”	the date on which Vesting occurs; and
“Vesting Period”	the period or periods commencing on the Award Date and ending on the date as specified in the Award Letter (both dates included) during which the Participant is required to fulfil the Vesting Condition.

1. RATIONALE FOR THE CONDITIONAL UNIT PLAN

- Hyprop’s remuneration philosophy is designed to support a strategy to attract, motivate, and retain high quality employees at all levels and to award them with market-related remuneration. Skilled and experienced professional employees, particularly in the South African property sector, are in short supply and it is imperative that Hyprop’s overall remuneration is sufficiently competitive to retain the skills necessary to grow the Company.
- The Company currently operates a cash settled unit appreciation right scheme (“Phantom Scheme”) and no awards (with the exception of awards to certain newly appointed employees), have been made since 2008.
- The Phantom Scheme has a number of shortcomings, including the fact that regular awards are not made and pay-outs in terms of this scheme effectively amount to enhanced bonus payments, linked to Unit price performance. Furthermore, the scheme does not result in employee equity ownership in the Company and therefore does not fully align employees’ interests with those of Unitholders.
- To this end, the Company intends to adopt a CUP, which is an equity-settled long-term incentive plan, that would assist Hyprop in its commitment to align the interest of employees with those of the Hyprop Unitholders.
- In terms of the CUP, annual allocations of units will be made. Where Retention Units are awarded as part of these annual allocations, such Awards will be a maximum of 40% of the allocation, while the majority of the Award (60%) will be subject to Performance Conditions.

- A retention component in the CUP will be included to address the retention of Hyprop’s senior employees, particularly given the skills shortage in the South African property sector and the low current levels of employee equity ownership in the Company. Initially this will also address the fact that the Company has not made regular awards under the existing Phantom Scheme.
- The CUP may also be used to address ad-hoc retention issues or sign-on requirements or to substitute a portion of short-term incentive payments with Awards in terms of the CUP.
- Following the introduction of the CUP, the intention is that the overall remuneration strategy of the Company will comprise three primary parts, as follows:
 - Guaranteed package
 - Short-term incentive – discretionary bonus;
 - Long-term incentive – the CUP

2. SALIENT FEATURES OF THE CONDITIONAL UNIT PLAN

- Under the CUP, Awards will be made to Participants. These Awards will provide the Participant with a conditional right to receive Units at the end of the Vesting Period provided that certain Performance Conditions and/or the Vesting Condition have been met.
- The Remuneration Committee may, in its discretion, call upon the Employer Companies to make recommendations to the Remuneration Committee as to which of their respective Employees they recommend the making of an Award of

Performance Units and/or Retention Units to. Initially Awards will be made to executives, senior managers, operational and financial managers and specific core, critical and/or strategic skills, as identified.

- 2.3. The number of Performance Units and/or Retention Units subject to an Award made to an Employee will primarily be based on the Employee's annual salary, grade, retention or recruitment requirements and market benchmarks.
- 2.4. Awards made on an annual basis will comprise Performance Units and Retention Units. The split between Performance Units and Retention Units will be 60%:40% for all Participants. The first Award of Performance Units will be subject to the following Performance Conditions:

Performance Condition	Weighting
Growth in distribution per Unit relative to the SAPY index	40%
Unit price performance relative to the SAPY index	40%
Strategic component	20%

The strategic component will be determined by the Remuneration Committee in line with the prevailing circumstances and projects at the time of the Award and should be measurable over the Performance/Vesting Period of 3 years and may include project related or general business activity. Where considered appropriate, the Remuneration Committee will have the discretion not to apply the strategic component, in which event the 20% weighting afforded to the strategic component will be split equally between the other two Performance Conditions. In terms of the Rules of the CUP, prior to any Award the Remuneration Committee retains the prerogative to amend the Performance Conditions, Performance Period and Vesting Period taking into consideration the prevailing market conditions at the time. Achievement of each of the Performance Conditions and consequent Vesting of Performance Units, will occur severally.

The Remuneration Committee will set appropriate threshold, on-target and stretch targets for each Performance Condition on an annual basis. With the exception of ad-hoc Awards, which are expected to be infrequent, and Awards made in terms of bonus deferrals, 60% of all Awards will be subject to Performance Conditions. These targets will represent the levels of achievement required for each Performance Condition in order for certain portions of the Performance Units to Vest. Threshold performance will act as a 'gatekeeper' and will represent the minimum performance that is required before Performance Units will start to Vest. On-target performance relates to good, but sufficiently stretching performance, and stretch performance relates to truly exceptional performance in the context of the prevailing business environment. The portion of the Performance Units that will Vest at each target will be as follows:

Vesting percentage

Threshold	50% of the Award of Performance Units will Vest for performance at threshold. None of the Performance Units will Vest for performance below threshold.
On-target	100% of the Award of Performance Units will Vest for performance at on-target.
Stretch	150% of the Award of Performance Units will Vest for performance at stretch.

Linear Vesting will apply for performance between threshold and on-target or between on-target and stretch performance. This means, for example, that where performance is exactly halfway between threshold and on-target, the portion of the Performance Units that will Vest will reflect a similar ratio, i.e. 75%.

- 2.5. The Performance Period for the Performance Units will be 3 years which will run concurrently with the Company's Financial Year-end.
- 2.6. The Vesting Period for the Performance Units is envisaged to be 3 years from the date of the Award. Retention Units are envisaged to be subject to a five-year Vesting Period, with 60% Vesting in year 3, 20% Vesting in year 4 and 20% Vesting in year 5.
- 2.7. Awards made on an ad-hoc basis will be used to address retention issues or sign-on and will be subject to the Vesting Condition. The Remuneration Committee will set appropriate Vesting Periods in these instances but no less than 3 years. As the Company's remuneration structure evolves over time, the CUP may also be used to defer bonuses into Units.
- 2.8. The rules of the CUP are flexible in order to allow for Settlement in any of the following manners. The exact method will be determined by the Remuneration Committee:
 - 2.8.1. by way of a market purchase of Units;
 - 2.8.2. use of treasury Units; and
 - 2.8.3. issue of new Units.
- 2.9. The maximum number of Units which may at any one time be Allocated under the CUP shall not exceed 4 860 000 Units (2% of issued Units, based on current Units in issue). The maximum number of Units which may be allocated to an individual in respect of all unvested Awards may not exceed 600 000 Units (0.25% of issued Units, based on current Units in issue). Units Allocated under the CUP, 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 Units purchased in the market in settlement of the CUP will be excluded.

The Remuneration Committee must, where required, adjust the number of Units available for the Plan stated above (without the prior approval of the Company in a general meeting) and the number of Units subject to existing Awards, to take account of a sub-division or consolidation of the Units of the Company. The Auditors, or any other independent advisor acceptable to the JSE, shall confirm to the JSE in writing that any such adjustment has been properly calculated on a reasonable and equitable basis, in accordance with the Rules.

THE HYPROP INVESTMENTS LIMITED EMPLOYEE INCENTIVE SCHEME (CONTINUED)

- 2.10. Employees will give no consideration for the grant or Settlement of an Award.
- 2.11. No Awards may be made during a Prohibited Period. The Company will delay the Vesting or Settlement of Awards in terms of the CUP if the acquisition or disposal of the Units would occur during a Prohibited Period.
- 2.12. Termination of employment due to resignation or dismissal on grounds of misconduct, proven poor performance or proven dishonest, fraudulent conduct, abscondment or any reason other than stated below will result in employees being classified as bad leavers and those employees will forfeit all unvested Awards.
- 2.13. Employees terminating employment due to death, Retirement, retrenchment, ill-health, disability, injury or the sale of the Employer Company and other terminations and exceptional circumstances as determined by the Remuneration Committee will be classified as good leavers and a portion of the Award will vest on the 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 Vesting Period and the extent to which the Performance Condition (if any) has been met. The remainder of the Award will lapse.
- 2.14. In the event of a Change of Control, a portion of the Award will Vest. 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 Vesting Period and the extent to which the Performance Condition (if any) has been met. The portion of the Award that does not Vest on the Change of Control Date will continue to be subject to the terms of the Award Letter relating thereto, unless the Remuneration Committee, in its absolute discretion, determines that the terms of the Award Letter relating thereto are no longer appropriate. In this case, the Remuneration Committee shall make adjustments to the number of Awards or, subject to the Listings Requirements of the JSE and approval of the JSE, if applicable, take such other action as is deemed appropriate, provided the Participant is no worse off. The Remuneration Committee may also vary the Performance Condition in accordance with rules of the CUP.
- 2.15. In the event of a variation in Unit capital such as a Capitalisation Issue, subdivision of Units, consolidation of Units etc. Participants shall continue to participate in the CUP. The Remuneration Committee may make such adjustment to the number of unvested Performance Units and/or Retention Units comprised in the relevant Award or take such other action so as to ensure that Participants are placed in substantially the same position as they were in prior to the occurrence of the aforesaid event provided that such adjustment gives a Participant an entitlement to the same proportion of equity capital as that to which he was previously entitled. The issue of Units as consideration for an acquisition, and the issue of Units or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to Awards. Where the Remuneration Committee regards an adjustment as necessary, Auditors, acting as experts and not as arbitrators and whose decision shall be final and binding on all persons affected thereby, shall confirm to the Company in writing that these are calculated on a non-prejudicial basis. The Auditors shall confirm in writing to the JSE whether those adjustments were calculated in accordance with the rules of the CUP. Any adjustments made will be reported in the Company's annual financial statements in the year during which the adjustment is made.
- 2.16. The provisions relating to:
- 2.16.1. the category of persons who are eligible for participation in the CUP;
 - 2.16.2. the number of Units which may be utilised for the purpose of the CUP;
 - 2.16.3. the individual limit entitlements under the CUP;
 - 2.16.4. the basis upon which Awards are made;
 - 2.16.5. the amount (if any) payable upon the Award, Vesting or Settlement of an Award;
 - 2.16.6. the voting, dividend, transfer and other rights attached to the Awards, including those arising on a liquidation of the Company;
 - 2.16.7. the adjustment of Awards in the event of a Change of Control of the Company or other corporate actions; and
 - 2.16.8. the procedure to be adopted in respect of the Vesting of Awards in the event of termination of employment,
- may not be amended without the prior approval of the JSE and by ordinary resolution of 75% of Unitholders of the Company present or by proxy, in general meeting, excluding all the votes attached to all Units owned by persons as a result of the Vesting of Performance Units and/or Retention Units under the Plan who are existing Participants in the Plan and who may be impacted by the changes.
- The Rules of the CUP are available for inspection from 15 May 2013 to 27 June 2013 at the Company's registered office being 2nd Floor, 21 Cradock Avenue, Cradock Heights, Rosebank, 2196.

FORM OF PROXY FOR SHAREHOLDERS



Hyprop Investments Limited
 (Incorporated in the Republic of South Africa)
 Registration number 1987/005284/06
 ("Hyprop" or "the Company")
 Share code: HYP
 ISIN code: ZAE 000003430

THIS FORM OF PROXY IS ONLY FOR USE BY:

- registered shareholders who have not yet dematerialised their combined units;
- registered shareholders who have already dematerialised their combined units and which combined units are registered in their own names in the Company's sub-register.

For completion by the aforesaid registered shareholders of Hyprop who are unable to attend the annual general meeting of the Company to be held at the offices of the Company at 2nd Floor, 21 Cradock Avenue, Cradock Heights, Rosebank, 2196 at 10:00 on Thursday, 27 June 2013 (the "annual general meeting").

I/We _____ (NAME IN BLOCK LETTERS)
 Of _____ (ADDRESS)
 being the registered holder of _____ shares
 hereby appoint _____ of _____
 or failing him/her, _____ of _____
 or failing him/her, the chairperson of the annual general meeting as my/our proxy to vote for me/us on my/our behalf at the annual general meeting of the Company.

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/ she thinks fit.

		In favour of	Against	Abstain
Ordinary Resolution 1	Adoption of annual financial statements			
Ordinary Resolution 2	Confirmation of appointment of JA Mabuza as director			
Ordinary Resolution 3	Re-election of KM Ellerine as director			
Ordinary Resolution 4	Re-election of Director L Norval as director			
Ordinary Resolution 5	Re-election of LLS van der Watt as director			
Ordinary Resolution 6	Re-election of LR Cohen as director			
Ordinary Resolution 7	Re-appointment of members of the Audit Committee			
Ordinary Resolution 7.1	Re-appointment of LI Weil (Chairman)			
Ordinary Resolution 7.2	Re-appointment of L Englebrecht			
Ordinary Resolution 7.3	Re-appointment of GR Tipper			
Ordinary Resolution 8	Re-appointment of external auditors			
Ordinary Resolution 9	Unissued combined units			
Ordinary Resolution 10	General authority to issue combined units for cash			
Ordinary Resolution 11	Adoption of the Hyprop Investments Limited Employee Incentive Scheme			
Special Resolution 1	Allotment and issue of combined units to executive directors and prescribed officers			
Special Resolution 2	Combined unit repurchases			
Special Resolution 3	Financial assistance to related and inter-related parties			
Special Resolution 4	Approval of non-executive directors' fees proposed for the year ending 31 December 2013			
Ordinary Resolution 12	Signature of documentation			

Signed this _____ day of _____ 2013.
 Signature _____ Assisted by _____ (if applicable)

A shareholder entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a shareholder of the Company. Each shareholder is entitled to appoint one or more proxies to attend, speak and on a poll, vote in place of that shareholder at the annual general meeting.

Forms of proxy must be deposited at Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received no later than 10:00 on Tuesday, 25 June 2013.

Please read the notes on the reverse.

Notes to the form of proxy for shareholders

1. Only shareholders who are registered in the register of the Company under their own name on the date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, being Friday, 21 June 2013 (the "voting record date"), may complete a form of proxy or attend the annual general meeting. This includes shareholders who have not dematerialised their combined units or who have dematerialised their combined units with "own name" registration. The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. A proxy need not be a combined unitholder of the Company.
2. Certificated shareholders wishing to attend the annual general meeting have to ensure beforehand with the transfer secretaries of the Company (being Computershare Investor Services Proprietary Limited) that their combined units are registered in their own name.
3. Beneficial shareholders whose combined units are not registered in their "own name", but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instruction on voting their ordinary shares, or obtaining a proxy to attend, speak and, on a poll, vote at the annual general meeting.
4. Dematerialised shareholders who have not elected "own name" registration in the register of the Company through a Central Securities Depository Participant ("CSDP") and who wish to attend the annual general meeting, must instruct the CSDP or broker to provide them with the necessary authority to attend.
5. Dematerialised shareholders who have not elected "own name" registration in the register of the Company through a CSDP and who are unable to attend, but wish to vote at the annual general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that combined unitholder and the CSDP or broker.
6. A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereof to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, 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.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date:
 - 8.1. stated in the revocation instrument, if any; or
 - 8.2. upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act, 71 of 2008, as amended ("the Companies Act").
9. Should the instrument appointing a proxy or proxies have been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder must be delivered by the Company to:
 - 9.1. the shareholder, or
 - 9.2. the proxy or proxies if the shareholder has in writing directed the company to do so and has paid any reasonable fee charged by the Company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation of the Company or the instrument appointing the proxy provide otherwise.
11. If the Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of instrument for appointing a proxy:
 - 11.1. such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - 11.2. the Company must not require that the proxy appointment be made irrevocable; and
 - 11.3. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the Company or waived by the chairman of the annual general meeting.
14. A minor must be assisted by his/her parent/ guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding ordinary shares (indivisibly linked to debentures as combined units) in the Company that wishes to attend and participate at the annual general meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the Company's transfer secretaries prior to the annual general meeting.
16. Where there are joint holders of ordinary shares (indivisibly linked to debentures as combined units) any one of such persons may vote at any meeting in respect of such ordinary shares as if he were solely entitled thereto; but if more than one of such joint holders be present or represented at the meeting, that one of the said persons whose name appears first in the register of shareholders of such ordinary shares or his proxy, as the case may be shall alone be, shall be entitled to vote in respect thereof.
17. On a show of hands, every shareholder of the Company present in person or represented by proxy shall have one vote only. On a poll a shareholder who is present in person or represented by a proxy shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the ordinary shares (indivisibly linked to debentures as combined units) held by him bears to the aggregate amount of the nominal value of all the ordinary shares of the relevant class issued by the Company.
18. The chairman of the annual general meeting may reject or accept any proxy which is completed and /or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
19. A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.
20. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of ordinary shares (indivisibly linked to debentures as combined units) to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the annual general meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the annual general meeting or other proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit, in respect of the ordinary shares concerned. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
21. It is requested that this form of proxy be lodged or posted or faxed to the Company's registered office, 2nd Floor, 21 Cradock Avenue, Cradock Heights, Rosebank, 2196 or faxed to +27 11 447 0092 or to the Transfer Secretaries, Computershare Investor Services Proprietary Limited at 70 Marshall Street, Johannesburg or by fax on +27 11 688 6238, to be received by the Company no later than 10:00 on Tuesday, 25 June 2013. A quorum for the purposes of considering the ordinary and special resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the annual general meeting. In addition, a quorum shall consist of three shareholders of the Company personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the annual general meeting.
22. This form of proxy may be used at any adjournment or postponement of the annual general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
23. The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.

COMBINED UNITHOLDERS' DIARY

Financial year-end	31 December
Publication of financial results	28 February 2013
Annual general meeting	27 June 2013
Integrated report posted to combined unitholders	May 2013
Interim report posted to combined unitholders	August 2013

DISTRIBUTION DETAILS

	Distribution number	2012 (cents)	2011 (cents)
INTEREST ON DEBENTURES			
Six months ended:			
30 June 2011	47		181
Special distribution - two months ended:			
31 August 2011	48		65
Four months ended:			
31 December 2011	49		137
			383
Six months ended:			
30 June 2012	50	198	
31 December 2012	51	211	
		409	

ADMINISTRATION

Registered office and business address

Registration number: 1987/005284/06
2nd Floor, Cradock Heights, 21 Cradock Avenue, Rosebank, 2196
PO Box 52509, Saxonwold, 2132
Tel: +27 11 447 0090
Fax: +27 11 447 0092
Website: www.hyprop.co.za

Company secretary

Probitry Business Services Proprietary Limited
3rd Floor, The Mall Offices, 11 Cradock Avenue
Rosebank, 2196
PO Box 85392, Emmarentia, 2029

Corporate adviser and sponsor

Java Capital Proprietary Limited
2 Arnold Road, Rosebank, 2196
PO Box 2087, Parklands, 2121

Transfer secretaries

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

Trustee for debenture holders

Webber Wentzel Bowens
3rd Floor, Granger Bay Court, Beach Road
V&A Waterfront, Cape Town
PO Box 1820, Cape Town, 8000

Independent auditors

Grant Thornton
(Member firm of Grant Thornton International)
137 Daisy Street, cnr Grayston Drive
Sandton, 2196
Private Bag X28, Benmore, 2010

THE LOOKINGGLASS

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