

NOTICE OF ANNUAL GENERAL MEETING

DATATEC LIMITED

(Incorporated in the Republic of South Africa)
 Registration number 1994/005004/06
 Share code: DTC
 ISIN: ZAE000017745
 ("Datatec" or "the Company" or "the Group")

Notice is hereby given that the Annual General Meeting ("Meeting") of shareholders of Datatec will be held at the DaVinci Hotel & Suites, Nelson Mandela Square, corner Maude and 5th Street, Sandown, Sandton 2196, Republic of South Africa at 12:00 on Wednesday, 17 September 2014 for the purpose of considering the following business to be transacted and voting on the resolutions with or without modification:

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

"To present Datatec's audited annual financial statements for the year ended 28 February 2014, including the directors' report, the Audit, Risk and Compliance Committee report, and Group audited annual financial statements for the year ended 28 February 2014 all of which are contained from pages 96 to 172 of the Integrated Report."

2. RE-ELECTION OF DIRECTOR Ordinary Resolution Number 1

"Resolved that Mr SJ Davidson who retires in terms of the Company's Memorandum of Incorporation ("the Mol") and who offers himself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 14 of the annual report for Mr Davidson's brief *curriculum vitae*. On behalf of the Board, Mr NJ Temple, the senior non-executive director confirms that on the basis of the annual evaluation of the Board and of the performance of individual directors the performance and commitment of Mr Davidson throughout his period of office was highly satisfactory.

In order for this resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at the Meeting is required.

3. RE-ELECTION OF DIRECTOR Ordinary Resolution Number 2

"Resolved that Mr JF McCartney who retires in terms of the Mol and who offers himself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 15 of the annual report for Mr McCartney's brief *curriculum vitae*. On behalf of the Board, the Chairman confirms that on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of Mr McCartney throughout his period of office was highly satisfactory.

In order for this resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at the Meeting is required.

4. RE-ELECTION OF DIRECTOR Ordinary Resolution Number 3

"Resolved that Mr CS Seabrooke who retires in terms of the Mol and who offers himself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 15 of the annual report for Mr Seabrooke's brief *curriculum vitae*. On behalf of the Board, the Chairman confirms that on the basis of the annual evaluation of the Board and of the performance of individual directors the performance and commitment of Mr Seabrooke throughout his period of office was highly satisfactory.

In order for this resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at the Meeting is required.

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5. ELECTION OF DIRECTOR

Ordinary Resolution Number 4

"Resolved that Mr PJ Myburgh, who was appointed by the Board on 1 May 2014, be and is hereby elected as a director of the Company."

Please refer to page 14 of the annual report for Mr Myburgh's brief *curriculum vitae*. On behalf of the Board, the Chairman confirms that Mr Myburgh's qualifications, strong corporate finance background and extensive international mergers and acquisitions experience will make a significant contribution to Datatec's ongoing growth.

In order for this resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at the Meeting is required.

6. REAPPOINTMENT OF INDEPENDENT AUDITORS

Ordinary Resolution Number 5

"Resolved that the reappointment of Deloitte & Touche as auditors of the Company be approved and that Mr Mark Holme be reappointed as the designated auditor to hold office for the ensuing year."

In order for this resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at the Meeting is required.

7. ELECTION OF AUDIT, RISK AND COMPLIANCE COMMITTEE MEMBERS

Ordinary Resolution Number 6

"Resolved that the Audit, Risk and Compliance Committee be elected to serve from this Meeting to the 2015 Meeting by separate election to the committee of the following independent non-executive directors:

- 6.1 – Mr CS Seabrooke;
- 6.2 – Prof LW Nkuhlu;
- 6.3 – Ms O Ighodaro;
- 6.4 – Mr SJ Davidson."

Please refer to pages 14 and 15 of the annual report for Mr Seabrooke's, Prof Nkuhlu's, Ms Ighodaro's and Mr Davidson's brief *curricula vitae*. On behalf of the Board, the Chairman or the senior non-executive director (as applicable) confirms that each candidate for election to the Audit, Risk and Compliance Committee has the relevant knowledge and experience to discharge their role effectively and that the performance of each candidate in the service of the Audit, Risk and Compliance Committee to the date of this notice has been highly satisfactory.

In order for this resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at the Meeting is required.

8. NON-BINDING ADVISORY VOTE ON REMUNERATION POLICY

Ordinary Resolution Number 7

"Resolved that the remuneration policy of the Company for 2014 as reflected on page 65 of the Integrated Report of which this notice forms part be and is hereby endorsed through a non-binding advisory vote as recommended by King III."

9. APPROVAL OF NON-EXECUTIVE DIRECTORS' FEES

Special Resolution Number 1

"Resolved that the Board and committee fees for non-executive directors for the financial year ending 28 February 2015, which are unchanged from the previous year, as recommended by the Remuneration Committee and set out in the note below, be and are hereby authorised, in accordance with the provisions of the Companies Act 71 of 2008 ("Companies Act"), and that the Company may continue to pay directors' fees at the annual rates specified in the note below for the period from 28 February 2015 until the Company's 2015 Meeting.

Directors' fees for the financial year ending 28 February 2015:

- Chairman of the Board: US\$190 000 total fee inclusive of committee work;
- Senior non-executive director's fee: US\$70 000;
- Non-executive director's fee: US\$60 000;
- Chairman of the Audit, Risk and Compliance Committee: US\$30 000;

- Member of the Audit, Risk and Compliance Committee: US\$15 000;
- Chairman of the Social and Ethics Committee: US\$10 000;
- Chairman of the Remuneration Committee: US\$15 000;
- Member of the Remuneration Committee: US\$7 500;
- Member of the Nomination Committee: US\$5 000;
- Trustee of Datatec trusts: US\$7 000."

Reason for Special Resolution Number 1:

The Companies Act requires shareholder approval of directors' fees prior to payment of such fees.

In terms of the Companies Act, 75% of the votes cast by shareholders present or represented by proxy at this Meeting must be cast in favour of this resolution for it to be adopted.

10. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO ANY GROUP COMPANY Special Resolution Number 2

"Resolved that the provision of financial assistance by the Company be and is hereby approved, subject to the provisions of the Companies Act, to any related or inter-related (as defined in the Companies Act) company or corporation of the Company, on terms and conditions which the directors may determine up to a limit of US\$200 million."

Reason for Special Resolution Number 2:

In terms of the Companies Act, the Board may authorise the Company to provide any financial assistance to related or inter-related companies, being Group companies subject to certain requirements set out in the Companies Act, including the Company meeting the solvency and liquidity test. This general authority would greatly assist the Company *inter alia* with making inter-company loans to Group companies as well as granting letters of support and guarantees in appropriate circumstances. The existence of a general shareholder authority would avoid the need to refer each instance to members for approval which might impede the negotiations and adds time and expense. If approved, this general authority will expire at the end of two years and shall not exceed US\$200 million which would apply cumulatively over that period.

Notification

Written notice in terms of section 45(5) of the Companies Act of any such resolution by the Board shall be given to all shareholders of the Company and any trade union representing its employees:

- within 10 business days after the Board adopts the resolution, if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds one-tenth of 1% of the Company's net worth at the time of the resolution; or
- within 30 business days after the end of the financial year, in any other case.

Shareholders are also advised that the Board is satisfied that after providing the financial assistance, the Company will satisfy the solvency and liquidity test and that the terms under which the financial assistance is proposed to be given will be fair and reasonable to the Company.

In terms of the Companies Act, 75% of the votes cast by shareholders present or represented by proxy at the Meeting must be cast in favour of this resolution for it to be adopted.

11. GENERAL AUTHORITY TO REPURCHASE SHARES Special Resolution Number 3

"Resolved that the Board of Directors of the Company be authorised by way of a general authority given as a renewable mandate, to facilitate the acquisition by the Company or a subsidiary of the Company of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the MoI, the provisions of the Companies Act and the JSE Listings Requirements, when applicable and provided that:

- a paid press release giving such details as may be required in terms of the JSE Listings Requirements be published when the Company or its subsidiaries have cumulatively repurchased 3% (three percent) of the initial number of the shares of the Company in issue as at the time the general authority was granted and for each 3% in aggregate of the initial number of shares acquired thereafter;

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- the authorisation granted above shall remain in force from the date of passing of this special resolution for a period of 15 (fifteen) months or until the next annual general meeting, whichever period is shorter;
- at any point in time, the Company will only appoint one agent to effect any repurchase(s) on its behalf;
- the Company or its subsidiary shall not repurchase securities 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 full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period;
- the repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter party (reported trades are prohibited);
- the repurchase by the Company of its own securities above may not exceed 20% (twenty percent) of the Company's issued ordinary share capital in the aggregate in any one financial year, as at the beginning of the financial year, or in the case of acquisition by any of the Company's subsidiaries, 10% (ten percent) of such issued ordinary share capital in the aggregate if such shares are to be held as treasury shares;
- any such repurchases are subject to exchange control approval at that point in time;
- in determining the price at which the Company's ordinary shares are acquired by the Company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the repurchase of such ordinary shares by the Company or a subsidiary of the Company; and
- a resolution has been passed by the Board of Directors confirming that the Board has authorised the general repurchase, that the Company has passed the solvency and liquidity test as required by the Companies Act and since the test was done there have been no material changes to the financial position of the Group."

75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the Meeting must be cast in favour of this resolution in terms of the Listings Requirements of the JSE in order for it to be adopted.

Additional disclosure

For purposes of considering Special Resolution Number 3 and in terms of the JSE Listings Requirements, the information below has been included in the integrated report, in which this notice of Meeting is included, at the places indicated:

- Directors and management (refer page 182 of this report);
- Major shareholders (refer page 181 of this report);
- Directors' interests in securities (refer pages 76 and 77 of this report); and
- Share capital of the Company (refer page 129 of this report).

The directors undertake that the Company will not commence a general repurchase of shares as contemplated above unless the following can be met:

- the Company and the Group will be able to repay its debts in the ordinary course of business for a period of 12 (twelve) months following the date of the general repurchase;
- the Company and the Group's assets will be in excess of the liabilities of the Company and the Group for a period of 12 (twelve) months after the date of the general repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act;
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of the general repurchase;
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months following the date of the repurchase; and
- the Sponsor to the Company provides a letter of confirmation on the adequacy of working capital in terms of section 2.12 of the JSE Listings Requirements prior to any repurchases being implemented on the open market of the JSE.

Litigation statement

The directors, whose names are given on page 182 of the integrated report of which this notice forms part, are not aware of any legal or arbitration proceedings, other than such proceedings disclosed on page 138, including proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 (twelve) months, a material effect on the Group's financial position.

Datatec at a glance

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Directors' responsibility statement

The directors, whose names are given on page 182 of the Integrated Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to Special Resolution Number 3 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all information required by law and the JSE Listings Requirements.

Material changes

There have been no material changes in the affairs or financial position of the Company and/or the Group since the date of signature of the audit report up to the date of this notice.

Reason and effect

The reason and effect for Special Resolution Number 3 is to authorise the Company and/or its subsidiary company by way of a general authority to acquire its own 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.

Statement of Board's intention

The directors of the Company have no specific intention to effect the provisions of special resolution number 3 but will however, continually review the Company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect the provisions of Special Resolution Number 3.

12. AUTHORITY TO SIGN ALL DOCUMENTS REQUIRED**Ordinary Resolution Number 8**

"Resolved that subject to the passing of terms of the Ordinary Resolutions 1 to 7 and Special Resolutions 1 to 3, any director of the Company or the Company Secretary shall be and is hereby authorised to sign all documents and perform all acts which may be required to give effect to such Ordinary Resolutions 1 to 7 and Special Resolutions 1 to 3 passed at the Meeting."

In order for this resolution to be adopted, the support of a majority of votes cast by shareholders present or represented by proxy at the Meeting is required.

13. THE SOCIAL AND ETHICS COMMITTEE REPORT

Please refer to page 91 of the Integrated Report for the Social and Ethics Committee Report.

14. TO TRANSACT SUCH OTHER BUSINESS AS MAY BE TRANSACTED AT AN ANNUAL GENERAL MEETING**NOTICE OF ANNUAL GENERAL MEETING**

The record date on which shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for the purposes of being entitled to receive notice of the Meeting is Friday, 8 August 2014.

VOTING AND PROXIES

The record date on which shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for the purposes of being entitled to attend and vote at the Meeting is Friday, 12 September 2014. Accordingly, the last day to trade for the purposes of being entitled to attend and vote at the Meeting is Friday, 5 September 2014.

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration are entitled to attend and vote at the Meeting and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead. The person so appointed need not be a shareholder of the Company. Proxy forms must be forwarded to reach the registered office of the Company or the Company's transfer secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001, or posted to the transfer secretaries at PO Box 61051, Marshalltown 2107, South Africa so as to be received by them by no later than 12:00 on Monday, 15 September 2014. Any forms of proxy not lodged by this time must be handed to the chairperson of the Meeting.

Shareholders holding shares on the Jersey Branch register should forward the proxy form sent with this notice to Computershare Investor Services (Jersey) Limited in accordance with the instructions on the proxy form.

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Proxy forms must only be completed by shareholders who have dematerialised their shares with “own name” registration or who have not dematerialised their shares.

Every member present in person or by proxy and entitled to vote at the Meeting of the Company shall, on a show of hands, have one vote only irrespective of the number of shares such member holds. In the event of a poll, every member shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by such member bears to the aggregate amount of the nominal value of all the shares issued by the Company.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with “own name” registration, who are unable to attend the Meeting but wish to be represented thereat, should contact their Central Securities Depository Participant (“CSDP”) or broker (as the case may be) in the manner and time stipulated in their agreement entered into by such shareholder and the CSDP or broker (as the case may be) to furnish the CSDP or broker (as the case may be) with their voting instructions and in the event that such shareholders wish to attend the Meeting, to obtain the necessary authority to do so. Such shareholders who wish to attend the Meeting in person must obtain the necessary letter of representation from their CSDP or broker.

Shareholders holding depository interests in shares on the Jersey Branch register should forward the form of instruction sent to them with this notice to Computershare Investor Services (Jersey) Limited in accordance with the instructions on the form of instruction.

Shares held by a share trust or scheme will not have their votes at meetings taken into account for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

Should any shareholder (or any proxy for a shareholder) wish to participate in the Meeting by way of electronic participation, the shareholder should make application in writing (including details as to how the shareholder or its representative (including its proxy) can be contacted) to so participate to the transfer secretaries, at their address as reflected on page 185, to be received by the transfer secretaries at least 5 (five) business days prior to the Meeting in order for the transfer secretaries to arrange for the shareholder (or its representative or proxy) to provide reasonably satisfactory identification to the transfer secretaries for the purpose 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 cost of accessing any means of electronic participation provided by the Company will be borne by the Company. It should be noted, however, that voting will not be possible via the electronic facilities and for shareholders wishing to vote, their shares will need to be represented at the Meeting either in person, or by proxy or by letter of representation, as provided for in the notice of Meeting.

All meeting participants will be required to provide identification reasonably satisfactory to the chairperson of the Meeting. Forms of identification include valid identity documents, driver’s licences and passports.

By order of the Board



SP Morris
For and on behalf of
Datatec Management Services (Pty) Limited
Company Secretary

Sandton
31 July 2014