THIS DOCUMENT (THE "CIRCULAR") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if you are not in the United Kingdom, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in Blackstar Group SE ("**Shares**"), please immediately forward this Circular to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Shares please immediately contact your stockbroker, bank or other agent through whom the sale or transfer was effected.

Blackstar Group SE

(the "**Company**" or "**Blackstar**")

(Registered in England and Wales with registered number SE000030)

(R.C.S. Luxembourg number B114318)

Notice of general meeting to consider the proposed transfer of the registered office of the Company to Malta

Proposal to enter into depository arrangements to enable investors to settle and pay for interests in Shares in CREST following the transfer to Malta

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A notice convening a general meeting of Blackstar which, for the purposes of Luxembourg law, will be considered to be an extraordinary general meeting (the "**Extraordinary General Meeting**"), to be held in the presence of a Luxembourg notary at 58 rue Charles Martel, L-2134 Luxembourg at 11.00 a.m. CET on 10 February 2012 (or as soon thereafter as it may be held) is set out at part 4 of this Circular. In accordance with Luxembourg law, the Extraordinary General Meeting cannot be adjourned if there is no quorum. Accordingly, if at the Extraordinary General Meeting the quorum requirement of more than half of the issued Shares by value is not present, the Resolutions to be proposed at such meeting will not be proposed and will, therefore, not be capable of being passed. The Administrative Organ would then intend to convene a subsequent general meeting to re-consider the Resolutions, for which a further notice of meeting will be sent to the Company's shareholders in accordance with the Statutes.

To be valid, the Form of Proxy found at part 5 of the Circular for use in connection with the meeting should be completed in accordance with the instructions printed thereon and returned as soon as possible and, in any event, so as to reach the Company's Receiving Agents, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU by not later than 11.00 a.m. CET on 8 February 2012. **IT IS IMPORTANT THAT THE COMPANY'S SHAREHOLDERS COMPLETE AND RETURN THEIR FORM OF PROXY TO TRY TO ENSURE THAT THE QUORUM REQUIREMENTS OF THE EXTRAORDINARY GENERAL MEETING ARE MET IN ACCORDANCE WITH THE REQUIREMENTS OF LUXEMBOURG LAW**. Completion and return of Forms of Proxy will not preclude shareholders in the Company from attending and voting at the Extraordinary General Meeting should they so wish.

CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	**Date**
Transfer Proposal and Transfer Report published and also made available for inspection by shareholders and creditors at the Company's registered office	by 9 January 2012
Record date for shareholders on the South African register to be recorded on the register in order to vote at the Extraordinary General Meeting	17h00 SAT on 7 February 2012
Latest time and date for receipt of forms of proxy for Extraordinary General Meeting for shareholders on the South African register	09h00 SAT on 8 February 2012
Latest time and date for receipt of forms of proxy for Extraordinary General Meeting	11h00 CET on 8 February 2012
Extraordinary General Meeting in the presence of a Luxembourg notary	11h00 CET on 10 February 2012
Transfer expected to become effective	March 2012

If any of the above times and/or dates change materially, the revised times and/or dates will be notified to Shareholders by announcement to shareholders on AIM and on Alt^{x}.

In accordance with Luxembourg law, the Extraordinary General Meeting cannot be adjourned if there is no quorum. Accordingly, if at the Extraordinary General Meeting the quorum requirement of more than half of the issued Shares by value is not present the Resolutions will not be proposed and will, therefore, not be capable of being passed. The Administrative Organ of the Company would then intend to convene a subsequent general meeting to re-consider the Resolutions, for which a further notice of meeting will be sent to the Shareholders in accordance with the Statutes.

IT IS IMPORTANT THAT SHAREHOLDERS COMPLETE AND RETURN THEIR FORM OF PROXY TO TRY TO ENSURE THAT THE QUORUM REQUIREMENTS OF THE EXTRAORDINARY GENERAL MEETING ARE MET IN ACCORDANCE WITH THE REQUIREMENTS OF LUXEMBOURG LAW.

DEFINITIONS

The following definitions apply throughout this Circular unless the context otherwise requires:

"Administrative Organ"	the administrative organ of the Company constituted in accordance with the Statutes and the SE Regulation
"AIM"	the market operated by the UK Listing Authority known as AIM
"Alt^{x}"	the Alternative Exchange of the Johannesburg Stock Exchange operated by the JSE Limited
"Board"	the board of directors of the Company before the Conversion
"CET"	Central European Time
"Company" or "Blackstar"	Blackstar Group SE
"Companies Registry"	the Companies Registry for England and Wales
"Conversion"	the conversion of the Company into a *Societas Europeae* which became effective on 27 June 2011
"CREST"	the relevant system (as defined in the Securities Regulations) for the paperless settlement of share transfers and the holding of shares in Uncertificated Form in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Securities Regulations)
"Custodian"	the custodian nominated by the Depository
"Depository"	Capita IRG Trustees Limited, incorporated in England (with registration number 2729260) whose registered office is The Registry, 34 Beckenham Road, Kent BR3 4TU
"Depository Agreement"	the agreement for the provision of depository services and custody services in respect of the Depository Interests to be entered into between the Company and the Depository
"Depository Interest" or "DI"	a depository interest in respect of an ordinary share
"Euro" or "€"	the Euro, the official currency of those States which are members of the European Economic and Monetary Union from time to time
"Extraordinary General Meeting"	the general meeting of the Company which, for the purposes of Luxembourg law, will be considered to be an extraordinary general meeting, to be held at 11.00 a.m. CET on 10 February 2012 in the presence of a Luxembourg notary
"Form of Proxy"	the form of proxy to be used by Shareholders in connection with the Extraordinary General Meeting, which is contained in Part 5 of this Circular
"GMT"	Greenwich Mean Time
"Luxembourg"	the Grand Duchy of Luxembourg
"£"	Pounds Sterling, the lawful currency of the United Kingdom
"Malta"	the Republic of Malta
"Mémorial C"	*Mémorial C, Recueil des Sociétés et Associations* in Luxembourg, the official Luxembourg gazette for company publications
"Notice of Extraordinary General Meeting"	the notice convening the Extraordinary General Meeting which is contained in Part 4 of this Circular
"RCS"	the Luxembourg Trade Registry (*the Registre de Commerce et des Sociétés)*

"Report"	the report pursuant to Article 8(3) of the SE Regulation, explaining and justifying the legal and economic aspects of the Transfer and explaining the implications of the Transfer for shareholders and creditors of the Company, a copy of which is set out at Part 3 of the Circular
"Resolutions"	the resolutions set out in the Notice of Extraordinary General Meeting
"South Africa"	the Republic of South Africa
"SAT"	South African Time
"SE"	*Societas Europeae* or European Company, a public limited liability company created in terms of the SE Regulation
"SE Regulation"	Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European Company
"Securities Regulations"	The Uncertificated Securities Regulations 2001
"Shares"	the ordinary shares in the Company of €0.76 par value
"Shareholders"	holders of shares of any class in the capital of the Company from time to time
"Statutes"	the statutes of the Company as adopted on its conversion to an SE
"Strategy Update"	the strategy update announced by the Company on 11 May 2011, a copy of which is available on the Company's website www.blackstar.lu
"Transfer"	the transfer of the Company's registered office from the United Kingdom to Malta on the terms set out in the Transfer Proposal
"Transfer Proposal"	the proposal for the Transfer contained at Part 2 of the Circular
"UK" or "United Kingdom"	The United Kingdom of Great Britain and Northern Ireland
"ZAR"	South African Rand, the lawful currency of South Africa

BLACKSTAR GROUP SE

(Registered in England and Wales with registered number SE000030)
(R.C.S. Luxembourg number B114318)

Directors:
John Broadhurst Mills *(Non-executive Chairman)*
Andrew David Bonamour *(Non-executive Director)*
Wolfgang Andreas Baertz *(Non-executive Director)*
Marcel Ernzer *(Non-executive Director)*
Charles Taberer *(Non-executive Director)*

Registered office:
Capita Company Secretarial Services
2nd Floor
Ibex House
The Minories
London
EC3N 1DX

Principal place of business:
58 rue Charles Martel
L-2134 Luxembourg

7 December 2011

To: All Shareholders

Dear Shareholder,

Proposed transfer of the registered office of Blackstar Group SE to Malta

1. TRANSFER OF THE COMPANY TO MALTA

1.1 Introduction

On 11 May 2011, the Company announced in the Strategy Update that in light of its commitment to returning excess capital to Shareholders and a number of operational challenges, the Board believed that the Company should migrate to a jurisdiction that is more efficient for capital distributions and that reduces operational costs and complexities without materially impacting or prejudicing any rights of Shareholders.

Blackstar is currently subject, as it was at the time of the Strategy Update, to the laws and regulations of two different jurisdictions: the United Kingdom (where it has its registered office) and Luxembourg (where it has its tax residency and principal establishment). This creates inefficiencies and complications in the operation of the Company. Its audit, legal and administrative costs are, for example, more expensive than they could be due to duplications arising from being present in both jurisdictions. In addition, Blackstar expects in the future to declare dividends or make capital payments to Shareholders. In its current form, due to its tax residency in Luxembourg, such dividends or payments may well attract a 15% withholding tax, unless Shareholders are able to make use of an appropriate exemption. The Board is of the understanding that the majority of the Company's Shareholders do not benefit from an exemption.

As a result of the above, the Board came to the conclusion in May 2011 that Luxembourg was no longer the most suitable jurisdiction from which to operate the Company. At that time the Board received legal advice confirming that the Company would need to convert into a *Societas Europaea* pursuant to Article 2(4) of the SE Regulation to be able to transfer its registered office from England and Wales to another European Union member state and, at the same time, close the Company's administration function in Luxembourg and establish it in the same European Union member state.

At the Company's annual general meeting on 22 June 2011, an overwhelming majority of Shareholders approved the Conversion. On 27 June 2011, the Conversion became effective and the articles of association of the Company were replaced by the Statutes. The existing directors became members of the Administrative Organ, which is the body that manages the Company following its conversion into an SE and is equivalent to a board of directors of a public limited company. Various changes to the Statutes required by the SE Regulation were made, including the change in the denomination of the share capital from Sterling to Euro.

1.2 Transfer Proposal

Since completion of the Conversion, the Administrative Organ has given careful consideration to the proposal that the registered office of the Company be transferred from the UK to a more suitable jurisdiction in the European Union pursuant to Article 8 of the SE Regulation and has determined that Malta is its preferred jurisdiction. The Administrative Organ is also proposing, as part of the Transfer to Malta, that the Company's head office (or principal establishment) be established in Malta and the current head office in Luxembourg therefore be closed down, which would result in the Company becoming tax resident in Malta.

The Company is not able to migrate to certain other attractive jurisdictions (for example the Channel Islands) because an SE is only capable of being migrated between EU member states and not between constituent parts of a member state. Malta is an EU Member State and Maltese company law is based, for the most part, on English company law. The Administrative Organ considers that Maltese shareholder protections are very comprehensive and that Malta offers a sound and attractive corporate environment.

The members of the Administrative Organ believe that the Transfer will simplify the administration of the Company and avoid the complication and expense of the Company being subject, simultaneously, to the corporate law of both England and Luxembourg. The Transfer would also simplify, and make less expensive, the audit and accounting obligations of the Company.

It is proposed to amend the Company's Statutes to meet the requirements of Maltese law. These proposed amendments will not materially impact or prejudice the rights of Shareholders.

A summary of the proposed amendments to the Company's Statutes is set out in Part 3 of this Circular and a comparison of the existing legal regime governing the Company and Maltese company law is set out in Schedule 1 to Part 3 of this Circular.

Copies of the Company's Statutes marked to show the proposed amendments to be adopted at the Extraordinary General Meeting (and which will become effective when the Transfer also becomes effective) are available for inspection at the Company's registered office during normal business hours on any business day until the close of the Extraordinary General Meeting and for at least 15 minutes prior to, and during, the Extraordinary General Meeting.

The Transfer Proposal has been filed at the Companies Registry and published in the London Gazette and filed at the RCS and published in the Mémorial C. A copy of the Transfer Proposal is set out in Part 2 of this Circular. The Administrative Organ has also produced a draft report explaining the legal and economic impact of the Transfer on the Company and for Shareholders. This draft report is set out in Part 3 of this Circular.

Resolutions will be proposed at the Extraordinary General Meeting to, *inter alia*, (i) change the Company's registered office to The Penthouse Suite, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta, (ii) close its head office in Luxembourg, (iii) change the Statutes, (iv) affirm the appointment of the members of the Administrative Organ, and (v) appoint Maltese auditors for the Company. If the Resolutions are passed, the Company will proceed to comply with certain procedural requirements for the Transfer and to file the documents which are required to effect the Transfer at the Companies Registry, the RCS and the relevant authority in Malta, the Maltese Registry of Companies. Following this, the Department for Business, Innovation and Skills in the UK will issue a certificate confirming that all actions and formalities in respect of the Transfer have been completed. This certificate must then be delivered to the Maltese Registry of Companies. The Transfer will become effective when the Maltese Registry of Companies registers the Company in Malta. A Luxembourg notary will also issue a certificate attesting to the completion of the acts and formalities required by Luxembourg law to be accomplished before the Transfer.

Subject to the provisions of the SE Regulation, an SE is treated as if it were a public limited liability company formed in accordance with the law of the Member State in which it has its registered office. After the Transfer, the Company will be regarded as a public limited liability company governed by the laws of Malta as subject to the SE Regulation. The members of the Administrative Organ shall continue in their positions after the Transfer. Maltese auditors will be appointed for the Company.

1.2 Employee Involvement

The Company and its subsidiaries have no employees affected by the Transfer and so the Transfer will have no implications for employees.

1.3 Creditor Involvement

In order to protect the interest of its creditors, the Company shall (i) notify its creditors (of whose claim and address it is aware) of the Transfer and their right to examine the Transfer Proposal and Report at the Company's registered office and, on request, to obtain copies of the Transfer Proposal and Report; and (ii) make a statement of solvency in accordance with Regulation 72(1) of the ECR in the Form SE72(6).

1.4 Impact of the Transfer on the ability of Shareholders to settle and pay for interests in the Shares through the CREST system

Following the Transfer, the Company will no longer be incorporated in England and Wales. Securities issued by non-UK incorporated companies cannot themselves be held electronically (i.e. in uncertificated form) or transferred in the CREST system. However, depository interests, representing the securities, can be dematerialised and settled electronically. Accordingly, to enable investors to continue to be able to settle and pay for interests in the Shares through the CREST system, the Company intends to put in place arrangements pursuant to which Capita IRG Trustees Limited will hold, through a custodian, the Shares for shareholders wishing to settle and pay for interests through the CREST system and will issue dematerialised depository interests representing the underlying Shares which will be held on bare trust for the holders of the depository interests. The Company will meet the costs of putting these arrangements in place and so there will be no material impact on shareholders from these arrangements.

Further details of these arrangements are set out in Schedule 2 to the report in Part 3 of this Circular.

2. ACTION TO BE TAKEN IN RELATION TO THE EXTRAORDINARY GENERAL MEETING

Shareholders will find enclosed a Form of Proxy in Part 5 of this Circular for use at the Extraordinary General Meeting. Whether or not Shareholders propose to attend the Extraordinary General Meeting, they are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive no later than 11.00 a.m. CET on 8 February 2012, to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. For Shareholders on the South African sub-register who hold their shares in certificated form or in dematerialised form registered in their own-name, forms of proxy must be lodged with or posted to South African Transfer Secretaries, Linked Market Services South Africa (Pty) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2000 (PO Box 4844, Braamfontein, 2000) to be received by no later than 9.00 a.m. (SAT) on 8 February 2012. The completion and return of a Form of Proxy will not preclude Shareholders from attending the Extraordinary General Meeting and voting in person should they so wish.

IT IS IMPORTANT THAT SHAREHOLDERS COMPLETE AND RETURN THEIR FORM OF PROXY TO TRY TO ENSURE THAT THE QUORUM REQUIREMENTS OF THE EXTRAORDINARY GENERAL MEETING ARE MET IN ACCORDANCE WITH THE REQUIREMENTS OF LUXEMBOURG LAW.

3. RECOMMENDATION

The Administrative Organ believes that the proposed:

1. transfer of the registered office of the Company to Malta and the resultant creation of its head office and tax residency in Malta;
2. closing of its head office in Luxembourg; and
3. establishment of a depository interest security structure,

are in the best interests of the Company and its Shareholders. Accordingly, the Administrative Organ recommends Shareholders to vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting, as the members of the Administrative Organ intend to do in respect of their own holdings of 944,486 Shares (representing approximately 1.1% of the Shares in issue).

In addition, funds associated with Andrew Bonamour have indicated that they will vote in favour of the resolutions in respect of their holdings amounting, in aggregate, to 16,151,456 Shares (representing 18.9% of the Shares in issue).

Yours faithfully,

John Mills

Chairman

Date 28 November 2011

BLACKSTAR GROUP SE

TRANSFER PROPOSAL

in accordance with Article 8(2) of Council Regulation (EC) No. 2157/2001 on the Statute for a European Company for the transfer of the registered office of Blackstar Group SE from England and Wales to Malta

Blackstar Group SE, a Societas Europaea registered (i) under the laws of England and Wales with number SE000030 whose registered office is at 2nd Floor, Ibex House, The Minories, London EC3N 1DX and (ii) in Luxembourg with its principal establishment and tax residence at 58 rue Charles Martel, L-2134 Luxembourg, and registered with the Luxembourg Trade Registry (the *Registre de Commerce et des Sociétés* ("**RCS**")) under registration number B114 318 (the "**Company**") has made this Transfer Proposal on 25 November 2011 pursuant to Article 8(2) of Council Regulation (EC) No 2157/2001 of 8 October 2001 (the "**SE Regulation**").

1. PROPOSED TRANSFER OF REGISTERED OFFICE

1.1 It is proposed that the Company should transfer its registered office from England and Wales to Malta (the "**Transfer**") pursuant to Article 8(1) of the SE Regulation. The proposed registered office in Malta is The Penthouse Suite, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta.

1.2 The Company's principal establishment (or head office) and tax residence are currently in Luxembourg, where it has been registered with the RCS. Upon the transfer of its registered office to Malta, the Company intends to become tax resident in Malta. Therefore, the Company intends to locate its principal establishment (or head office) in Malta and will no longer have a presence in Luxembourg. This will be effected by the Company's Luxembourg attorneys appearing on its behalf before a Luxembourg notary in order to record the registration of the Company in Malta and for the notary, thereafter, to take various steps to have the registration in Luxembourg deleted from the RCS.

2. BACKGROUND TO AND REASONS FOR THE TRANSFER

2.1 The Company is currently incorporated and has its registered office in England and Wales but has its principal establishment and tax residence in Luxembourg.

2.2 The Administrative Organ believes that the Transfer coupled with the relocation of the Company's tax residence and head office to Malta will simplify the administration of the Company and avoid the complication and expense of the Company being subject, simultaneously, to the corporate law of two different jurisdictions.

2.3 This would simplify and make less expensive, the administrative, accounting, auditing and legal obligations of the Company. Malta has been chosen as the most appropriate jurisdiction to which the registered office and head office of the Company should be transferred because the Company intends, in the future, to return excess capital to its shareholders ("**Shareholders**"). Luxembourg's 15% withholding tax is likely to be relatively unfavourable for Shareholders when compared to Malta's zero per cent. withholding tax on dividends paid to Shareholders from profits which benefit from the Maltese participation exemption or which are taxed in Malta.

2.4 According to the SE Regulation, a European Company is treated in the same way as a public limited company formed in accordance with the laws of the Member State in which it has its registered office. Prior to the Transfer, the Company is subject to English law, Luxembourg law and to the SE Regulation (the SE Regulation being directly applicable in all European Economic Area countries). After the Transfer and in accordance with the SE Regulations, the Company will be regarded as a public limited liability company governed by the laws of Malta and to the SE Regulations.

2.5 It is therefore proposed to transfer the registered office of the Company to Malta and to ensure that the tax residence and head office of the Company are also in Malta. The Company's Administrative Organ has prepared a separate report pursuant to Article 8(3) of the SE Regulation, explaining and justifying the legal and economic aspects of the Transfer and explaining the implications of the Transfer for shareholders and creditors of the Company (the "**Report**").

3. COMPANY NAME, NEW REGISTERED OFFICE AND STATUTES OF BLACKSTAR GROUP SE

3.1 The Company's name will remain as "Blackstar Group SE" immediately after the Transfer.

3.2 The Company's registered office following the Transfer will be The Penthouse Suite, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta.

3.3 It is proposed to amend the Company's constitutional documents (the "**Company's Statutes**") as part of the Transfer. The Company's Statutes will be amended to meet the requirements of Maltese law. A summary of the proposed amendments to the Company's Statutes is set out in the Report.

3.4 A comparison of the existing legal regime governing the Company and Maltese company law is included in the Report.

4. IMPLICATIONS OF THE TRANSFER FOR EMPLOYEES

The Company has no employees and so the Transfer will have no implications for employees.

5. PROPOSED TIMETABLE FOR THE TRANSFER

5.1 The Company's Administrative Organ proposes that the Transfer (and consequential amendments to the Company's Statutes) be approved, in accordance with Articles 8(6) and 59(1) of the SE Regulations, at a general meeting of the Shareholders (the "**Transfer Meeting**").

5.2 It is currently expected that the Transfer Meeting will be held on or around 10 February 2012.

5.3 In accordance with Luxembourg law, the Transfer Meeting cannot be adjourned if there is no quorum. If more than half of the issued ordinary shares in the Company ("**Shares**") by value is not present in person, by proxy or represented by corporate representative, the resolutions to approve the Transfer will not be proposed.

5.4 If the Transfer is approved by the requisite majority of the Shareholders, being a majority of not less than 75% of Shareholders present in person, by proxy or represented by corporate representative at the Transfer Meeting, it is expected that the Transfer will take effect during March 2012.

5.5 A proposed timetable for the Transfer is set out in Schedule 1 to this Transfer Proposal.

6. PROTECTION OF SHAREHOLDERS AND CREDITORS

6.1 Protection of Shareholders

6.1.1 The proposed Transfer cannot take place if the Shareholders do not approve the Transfer at the Transfer Meeting.

6.1.2 In accordance with Article 8(4) of the SE Regulation, the Shareholders will be entitled, at least one month before the Transfer Meeting, to examine this Transfer Proposal and the Report and will be notified of their right to do so.

6.1.3 Following the Transfer, the Company will no longer be incorporated in England and Wales. Securities issued by non-UK incorporated companies cannot themselves be held electronically (i.e. in uncertificated form) or transferred in the CREST system. However, depository interests representing the securities, can be dematerialised and settled electronically. Accordingly, to enable investors to continue to be able to settle and pay for interests in Shares through the CREST system, the Company intends to put in place arrangements pursuant to which Capita IRG Trustees Limited will hold, through a custodian, the Shares for shareholders wishing to settle and pay for interests through the CREST system and will issue dematerialised depository interests representing the underlying Shares which will be held on bare trust for the holders of the depository interests. Further details of these arrangements will be set out in the Report.

6.2 Protection of creditors

In order to protect the interest of its creditors, the Company shall:

6.2.1 notify its creditors (of whose claim and address it is aware) of the Transfer and their right to examine the Transfer Proposal and Report at the Company's registered office and, on request, to obtain copies of the Transfer Proposal and Report, not later than one month before the Transfer Meeting, in accordance with Regulation 56(1) of The European Public Limited Liability Company Regulations 2004 (SI 2326/2004) (the "**ECR**"); and

6.2.2 make a statement of solvency in accordance with Regulation 72(1) of the ECR in the Form SE72(6).

7. TRANSFER

Pursuant to Article 8(10) of the SE Regulation, the Transfer and the consequent amendments to the Company's Statutes shall take effect on the date on which the Company is registered by the Registry of Companies in Malta which is currently expected to be during March 2012. Following such registration, the Company's current registration with the Registrar of Companies for England and Wales will be deleted and the Registry of Companies in Malta will be notified of such deletion. The Company's current principal establishment in Luxembourg shall be closed and therefore as the Company will not have a principal establishment or head office outside of Malta, with effect from its registration by the Registry of Companies in Malta, the proposed registered office in Malta, (The Penthouse Suite, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta) shall also be the principal establishment and head office of the Company.

Schedule 1 to the Transfer Proposal

Proposed Transfer Timetable

Date	Transfer step
28 November 2011	Transfer Proposal filed with Companies Registry.
7 December 2011	Companies Registry to publish a notice of receipt of the Transfer Proposal in the London Gazette.
7 December 2011	Publication in the Mémorial C of the Transfer Proposal.
7 December 2011	Circular convening Transfer Meeting sent to Shareholders.
No later than 9 January 2012	Notification of the Transfer (and the right to examine the Transfer Proposal and Report) sent to creditors and shareholders of the Company.
9 January 2012	Date from which the Company's creditors and shareholders can inspect the Transfer Proposal and Report.
10 February 2012	Transfer Meeting of shareholders to approve the Transfer.
Mid-February 2012	Certificate issued by Luxembourg notary attesting to completion of acts and formalities to be accomplished before the Transfer.
Mid-February 2012	Application made to Companies Registry, together with statement of solvency of the Company made by the Administrative Organ, for certificate attesting to completion of the Transfer acts and formalities (the "**Certificate**").
Late-February 2012	Certificate is granted by the Companies Registry.
Late-February 2012	Application for registration is made by the Company to the Registry of Companies in Malta.
March 2012	Issue of certificate of registration by Registrar of Companies.
March 2012	Deregistration of principal establishment in Luxembourg.
March 2012	Removal of registration of the Company at the Companies Registry.

All dates (other than the date of filing the Transfer Proposal) are estimations based on current expectations (in particular estimations as to how long the Companies Registry, the RCS and the Registry of Companies in Malta will take to process documents) and are subject to change.

Date 7 December 2011

BLACKSTAR GROUP SE

TRANSFER REPORT

in accordance with Article 8(3) of Council Regulation (EC) No. 2157/2001
on the Statute for a European Company for the transfer
of the registered office of Blackstar Group SE from
England and Wales to Malta

1. BACKGROUND

1.1 This Report has been prepared by the administrative organ (the "**Administrative Organ**") of Blackstar Group SE a *Societas Europaea* registered (i) under the laws of England with number SE000030 whose registered office is at 2nd Floor, Ibex House, The Minories, London EC3N 1DX and (ii) in Luxembourg with its principal establishment and tax residence at 58 rue Charles Martel, L-2134 Luxembourg, and registered with the Luxembourg Trade Registry (the Registre de Commerce et des Sociétés) under registration number B114 318 (the "**Company**" or "**Blackstar**") pursuant to Article 8(3) of Council Regulation (EC) No. 2157/2001 of 8 October 2001 (the "**SE Regulation**").

1.2 The purpose of the Report is to explain and justify the legal and economic aspects of the proposed transfer of the Company's registered office from England and Wales to Malta ("**Transfer**") and to explain the implications of the Transfer on the Company's shareholders ("**Shareholders**"), creditors and employees.

1.3 The Company was incorporated in England and Wales on 20 June 1989 as a private limited company with registered number 2396996. It was re-registered as a public limited company on 1 November 1989. On 27 June 2011 Blackstar was re-registered as a European Company (as defined in Article 1(1) of the SE Regulation) formed by way of transformation pursuant to Article 2(4) of the SE Regulation with registered number SE000030 in England and Wales. In Luxembourg, the Company retained the same registration number as set out in 1.1 above following the transformation.

1.4 The Company's current seat of incorporation is England and Wales, and the Member State which is its country of origin is the United Kingdom ("**UK**").

1.5 The Transfer will become effective when the Registry of Companies in Malta issues a certificate of continuation.

1.6 After the Transfer, the Registry of Companies in Malta shall submit information about the Transfer for publication in the official gazette of the European Union. Third parties will be bound by the Transfer with effect from such publication.

2. LEGAL ASPECTS OF THE TRANSFER

2.1 Justification for the Transfer

Blackstar is currently incorporated in England and Wales but is tax resident in Luxembourg. As such, Blackstar is subject to the corporate law of two different jurisdictions and to the SE Regulation. The Administrative Organ believes that the Transfer coupled with the creation of a head office and tax residence in Malta and the termination of its tax residence and head office in Luxembourg will simplify the administration of the Company. The economic justification for the transfer is further set out at paragraph 3 of this Transfer Report.

2.2 Applicable laws

According to the SE Regulation, a European Company is treated in the same way as a public limited company formed in accordance with the laws of the Member State in which it has its registered office. Prior to the Transfer, the Company is subject to English law, Luxembourg law and to the SE Regulation (the SE Regulation being directly applicable in all European Economic Area countries). After the Transfer and in accordance with the SE Regulations, the Company will be regarded as a public limited liability company governed by the laws of Malta and the SE Regulation.

2.3 Transfer Proposal

The Administrative Organ has prepared a Transfer Proposal pursuant to Article 8(2) of the SE Regulation (the "**Transfer Proposal**"). The Transfer Proposal was filed with the Registrar of Companies for England and Wales (the "**Registrar**") on 28 November 2011 and notice of the Registrar's receipt of the Transfer Proposal was published in the London Gazette on 7 December 2011.

3. ECONOMIC ASPECTS OF THE TRANSFER

3.1 The Transfer is expected to simplify the administration of the Company and to result in savings to the Company's existing running costs. Currently, Blackstar is subject to the corporate law of two different jurisdictions: the UK (where it has its registered office) and Luxembourg (where it has its tax residency and principal establishment). This creates inefficiencies and complications in the operation of the Company. Its audit, legal and administrative costs are, for example, as a result, more expensive than they could be, due to duplications arising from being present in both jurisdictions. In addition, Blackstar expects in the future to declare dividends or make capital payments to Shareholders. In its current form, due to its tax residency in Luxembourg, such dividends or payments may well attract a 15% withholding tax in Luxembourg, unless Shareholders are able to make use of an exemption. The Administrative Organ is of the understanding that the majority of its Shareholders will not be able to benefit from an exemption.

3.2 The Administrative Organ has considered which jurisdiction will best offer Blackstar an optimal regime including the benefits of lower administrative, legal and audit costs. The Administrative Organ favours transferring Blackstar's registered office to Malta and the resultant creation of its tax residency in Malta, due to Malta's zero per cent.

withholding tax on dividends paid to Shareholders from profits which benefit from the Maltese participation exemption or which are taxed in Malta, and lower administrative, legal and audit costs.

3.3 The Administrative Organ accordingly believes that the Transfer coupled with the establishment of its head office and tax residency in Malta (and the termination of its head office and tax residency in Luxembourg) will simplify the administration of the Company and its subsidiaries (the "**Group**"). In particular the Administrative Organ believes that the Transfer will lead to a reduction in administrative expenses and professional fees, including without limitation, the costs of carrying out the audit for the Group.

4. IMPLICATIONS OF THE TRANSFER FOR SHAREHOLDERS

4.1 Following the Transfer, Blackstar will be subject to the laws of Malta and will be treated in the same way as a public company established under the laws of Malta and the SE Regulation. Company law differences between Malta, the United Kingdom and Luxembourg do not materially prejudice Shareholders. A general comparison of certain relevant laws that currently apply to the Company and Malta is set out in the Schedule 1 to this Report.

4.2 Following the Transfer, the Company will no longer be incorporated in England and Wales. Securities issued by non-UK incorporated companies cannot themselves be held electronically (i.e. in uncertificated form) or transferred in the CREST system. However, dematerialised depository interests, representing the securities, can be settled electronically. Accordingly, to enable investors to continue to be able to settle and pay for interests in the Shares through the CREST system, the Company intends to put in place arrangements pursuant to which Capita IRG Trustees Limited will hold, through a custodian, the Shares for shareholders wishing to settle and pay for interests through the CREST system and will issue dematerialised depository interests representing the underlying Shares which will be held on bare trust for the holders of the depository interests. Further details of these arrangements are set out in Schedule 2 to this Report.

4.3 Shareholders should consult their own tax advisers for advice in respect of any tax consequences for them as a result of the Transfer. However, your attention is drawn to the summary of certain tax consequences of the implementation of the Transfer for Shareholders set out in Schedule 3 to this Report.

5. IMPLICATIONS OF THE TRANSFER FOR THE COMPANY

5.1 In terms of Article 172 of the Luxembourg Income Tax Law ("**LIR**") the termination of the Company's tax residence in Luxembourg will be treated as a liquidation of the Company for Luxembourg direct tax purposes and the provisions of Article 169(4) of the LIR will apply.

5.2 Under Article 169(4) of the LIR, any income or gains derived from participations qualifying for the purposes of the Luxembourg participation exemption should be deducted from the "liquidation profit" and will therefore be exempt from tax.

5.3 The bulk of the Company's participations will qualify under the Luxembourg participation exemption regime.

5.4 As a result of the above, upon the termination of Blackstar's tax residence in Luxembourg, no material adverse tax consequences for the Company will arise.

5.5 Following the Transfer, the Company will be tax resident in Malta and will be subject to Malta income tax on its worldwide income. The Administrative Organ believes that the Company's being subject to the Malta income tax regime will be beneficial to the Company. The Malta income tax regime includes a dividend participation exemption and a capital gains tax participation exemption. No wealth taxes are levied in Malta. Subject to the requirements of the dividend participation exemption and capital gains tax exemption being satisfied, any income or gains derived by the Company from a participating holding or from the transfer of such a holding should be exempt from Malta income tax.

6. IMPLICATIONS OF THE TRANSFER FOR EMPLOYEES

The Company has no employees and so the Transfer will have no implications for employees.

7. IMPLICATIONS OF THE TRANSFER FOR CREDITORS

7.1 The Transfer is not expected to have any effect on the Company's creditors although the Company will be governed by Maltese law, rather than the laws of England and Wales and Luxembourg following completion of the Transfer and therefore, for example, Maltese insolvency law and procedure will apply to the Company.

7.2 In order to protect the interest of its creditors, the Company shall:

7.2.1 notify its creditors of the Transfer by depositing a copy of the Transfer Proposal with the Registrar of Companies. As noted above, the Registrar of Companies placed a notice of receipt of the Transfer Proposal in the London Gazette on 7 December 2011, in accordance with Regulation 68(1) of the European Public Limited-Liability company Regulations 2004 (SI 2326/2004) (the "**ECR**");

7.2.2 publicise the Transfer Proposal in the *Mémorial C, Recueil des Sociétés et Associations* in Luxembourg, the official Luxembourg gazette for company publications ("**Mémorial C**") on or around 9 December 2011;

7.2.3 notify each of its creditors of whose claim and address it is aware by letter prior to 9 January 2012 of the Transfer and of their right to examine the Transfer Proposal and this Report at the Company's registered office and, on request, to obtain copies of the Transfer Proposal and this Report, in accordance with Regulation 56(1) of the ECR; and

7.2.4 make a statement of solvency in accordance with Regulation 72(1) of the ECR. Pursuant to Regulations 72(3) and 72(6) of the ECR the statement of solvency will be made by each member of the Administrative Organ.

8. SUMMARY OF AMENDMENTS TO STATUTES

The Company's Statutes will be amended primarily to bring the said Statutes in line with the Maltese Companies Act, 1995 (the "**Companies Act**", Chapter 386 of the Laws of Malta).

The substantive amendments in the Statutes will reflect the main distinctions between the existing applicable legal regime and Maltese company law as set out in Schedule 1 of Part 3 of this Circular:

- Decisions which would previously have required a simple resolution, will now require an ordinary resolution. Ordinary resolutions shall be passed by members having the right to attend and vote holding in the aggregate shares entitling the holders to more than 50% of the voting rights attached to shares represented and entitled to vote at the meeting.
- Decisions which would previously have required a special resolution will now require an extraordinary resolution. An extraordinary resolution of the company shall be deemed to have been validly carried if consented to by a member or members holding in aggregate not less than seventy-five per cent (75%) in nominal value of the shares represented and entitled to vote at the meeting and at least fifty-one per cent (51%) in nominal value of all the shares entitled to vote at a meeting. If only one of the said majorities is obtained, the meeting may be adjourned and at the said meeting other thresholds will apply.
- The current process by which a member may appoint a proxy in his stead by electronic means may not be afforded the full force of law required in case of challenge. Powers of attorney (which includes proxies) may, under Maltese law, be given in a myriad of means including orally, however, and particularly in the context of general meetings it is important for the Company to be able to prove that, on the face of it, the proxy was duly authorised. The Electronic Commerce Act 2002 (Chapter 426 of the Laws of Malta) which introduces the concept of validity of e-contracts and e-signatures specifically excludes the creation, execution, amendment, variation or revocation of powers of attorney from its scope. This ultimately boils down to a matter of evidence of authority and the degree to which the Directors /the Chairman of the Meeting are/is comfortable that the proxy is duly authorised. That said, the Directors/the Chairman may accept electronic copies or facsimile copies of signed proxies with the original to follow in due course.

Other important amendments refer to:

- The transmission of shares upon death. Rights in shares will now pass to the heirs of a deceased member without the benefit of survivorship currently enjoyed by joint holders: and
- The removal of all restrictions on directors' borrowing powers, which, though not a change necessitated by Maltese company law, has been deemed to be beneficial to the Company.

The majority of the remaining amendments are of a purely administrative nature and include:

- the re-designation of the Statutes into a Memorandum and Articles of Association;
- the removal of references to a company seal as such administrative concept is not known under the Companies Act;
- removal of the possibility that the Company might have a lien over partly paid-up shares as security for any amounts unpaid in respect of the said shares as the concept of a lien does not exist under Maltese law;
- the application of the Electronic Commerce Act to certain provisions in the Memorandum and Articles of Association; and
- insertion of a requirement that certificated shares be transferred by an instrument in writing signed not only by the transferor but also by the transferee.

Schedule 1 to Transfer Report

Comparison between existing legal regime governing the Company and Maltese Company Law

The Company is a Societas Europaea, a European Public Limited-Liability Company incorporated and registered in England and Wales, with its principal place of business in Luxembourg. Prior to the transfer of its registered office and head office to Malta (the "**Transfer**") it is subject to both the laws of England and Wales and the laws of Luxembourg as well as the European Council Regulation (EC) No. 2157/2001 of 8 October 2001 (the "**SE Regulation**").

Subject to the provisions of the SE Regulation, an SE is generally treated as if it were a public limited-liability company formed in accordance with the law of the Member State in which it has its registered office. Accordingly, following the Transfer it will be governed by Maltese law, subject to the SE Regulation.

The rights and status of shareholders of an SE incorporated in England and Wales are substantially comparable to those of shareholders in a SE incorporated in Malta, due to similarities between the company laws of these jurisdictions.

The following is a comparison of certain key aspects of the legal regime that currently applies to the Company and Maltese company law as it relates to public companies as at the date of this document. The summary is not intended to address all possible differences but is an overview only. With respect to English law, this analysis focuses on the provisions of the Companies Act 2006 (the "**Act**"). With respect to Luxembourg law, the analysis focuses on the provisions of the Luxembourg Law of 10 August 1915 on commercial companies, as amended (the "**Law**"). With respect to Maltese Law, this analysis focuses on the provisions of the Maltese Companies Act 1995.

This comparison does not look at applicable insolvency law or practice, the rules of any applicable stock exchange, tax law and treatment or any law other than general company law as it applies to the Company.

	Current legal requirement		Future legal requirement
	English Law	Luxembourg Law	Maltese Law
Special Resolutions	Certain matters, generally those which are material to the nature of the company, require the passing of special resolutions. Special resolutions require the approval of 75% of members' votes cast at a general meeting. Amongst other things, the following matters must be approved by special resolution: • change of the Company's name; • variation of the Company's statutes (the "**Statutes**"); • disapplication of shareholders' statutory pre-emption rights (see below); • a solvent winding up or dissolution of the company; • a reduction of the company's share capital; • the purchase by the company of its own shares; or • the transfer of the company's registered office to another EU country.	Certain matters, generally those which are material to the nature of the company, require the passing of special resolutions. Special resolutions require that shareholders representing at least one half of the capital must be present or represented at the meeting, and with at least two thirds of the votes cast in favour to carry the resolution. The following matters must be approved by special resolution: • change of the Company's name; • variation of the Statutes; • a solvent winding up or dissolution of the company; or • a reduction of the company's share capital. • In respect of the disapplication of shareholder's statutory pre-emption rights, authorisation may be given to the board of directors by the Statutes to restrict these rights. Again, as this requires a change to the Statutes, it requires at least one half of the capital present or represented at the meeting and two thirds of the votes cast in favour. Accordingly, as this quorum provision is stricter than the UK law requirement, the Company will be subject to it. • The purchase by the Company of its own shares may be authorised by the general meeting for a period of five years. • The transfer of an SE to another EU Member State is done pursuant to a transfer proposal and requires the same support as a change to the Statutes. In terms of the quorum requirement, Luxembourg law applies but in terms of the voting requirement, UK law applies as it is stricter than Luxembourg law.	Substantially the same as the English law position but the voting thresholds differ slightly. Extraordinary resolutions require the approval of: • not less than 75% in nominal value of the shares represented and entitled to vote at the general meeting; AND • at least 51% (or possibly higher if required by the Statutes) in nominal value of all the shares entitled to vote at the general meeting. If one majority is obtained but not both, the members may convene another general meeting within 30 days – at that meeting the resolution is approved by either: • 75% in nominal value of the shares represented and entitled to vote; OR • A simple majority if more than half in nominal value of the shares with the right to vote are represented.

	Current legal requirement		Future legal requirement
	English Law	Luxembourg Law	Maltese Law
Ordinary Resolutions	For all other matters requiring shareholder approval, an ordinary resolution must be passed. Ordinary resolutions require the approval of more than 50% of members' votes cast at a general meeting. Amongst other things, the following matters must be approved by ordinary resolution: • appointing or removing the Company's auditors; • the sub-division or consolidation of share capital; or • authorising the Administrative Organ to allot securities. While removal of a member of the Administrative Organ can be effected by an ordinary resolution, special notice must be given of the intention to do so.	Under Luxembourg law, appointing the Company's independent auditors (*reviseur d'entreprises*) is done by ordinary resolution as per English law. No special notice is required under Luxembourg law to remove an auditor or a board member. Accordingly, in this instance, English law will be followed as it is stricter. However, sub-division or consolidation of share capital and authorising the Board to issue shares require a change to the Statutes. Accordingly, the Company will be subject to this higher quorum requirement (set out above) as Luxembourg law is stricter on this point.	Ordinary resolutions are passed with a majority of more than 50% of the shares represented at the meeting and entitled to vote.
Allotment of shares	The powers of the Administrative Organ to allot shares are restricted by the terms of the authority granted by shareholders to the Administrative Organ to allot shares as well as the shareholders' rights of pre-emption (discussed below). There is no longer a concept of "Authorised Share Capital" under English law.	Substantially the same as the English law position except that the concept of "Authorised Share Capital" still exists under Luxembourg law, but Luxembourg law does not know the concept of allotment of shares. Shareholders may empower the directors to issue shares up to the Authorised Share Capital. Such authorisation can be granted for a maximum period of five years but can consequently be renewed by five year periods. The authority has to be written into the Statutes and whenever there is a change to the authority, the Statutes need to be amended. The Company will be subject to the higher quorum requirement, as Luxembourg law is stricter on this point.	The concept of "Authorised Share Capital" still exists under Maltese law. Shareholders may empower the directors to allot shares in certain limited circumstances. Such authorisation can be granted for a maximum period of five years but can consequently be renewed by five year periods. Furthermore, no allotment shall be made of any share of a public company offered to the public for subscription unless: (a) the amount stated in the prospectus as the minimum amount which, in the opinion of the directors, shall be raised by the issue of share capital in order to provide for the preliminary expenses, purchase of property and working capital as specified in the prospectus has been subscribed and paid in cash; and (b) the capital is subscribed in full, whether or not in cash, or the conditions stated in the offer for allotment, where the offer is not fully subscribed, are satisfied.

	Current legal requirement		Future legal requirement
	English Law	**Luxembourg Law**	**Maltese Law**
Shareholders' statutory pre-emption rights	The Act provides that prior to an allotment of equity securities for cash those securities must first be offered to existing shareholders in proportion to their existing holding. These rights may be excluded or varied by a special resolution.	Substantially the same as the English law position. Pre-emption rights can be limited or fully removed in the Statutes. However, as a change to the Statutes is required to restrict pre-emption rights under Luxembourg law, the Company will be subject to the higher quorum requirement of at least half the issued share capital.	Substantially the same as the English Law position.
Notice of shareholder meetings	The Statutes provide that not less than 21 clear days' notice is required for an annual general meeting or an extraordinary general meeting at which special resolutions or a resolution appointing a person as a member of the Administrative Organ (save as provided by the Act) a resolution of which special notice has been given to the Company are to be proposed. Other extraordinary general meetings require not less than 14 clear days' notice be given.	Convening notices shall be published twice, with a minimum interval of 8 days and 8 days before the meeting, in the Luxembourg government gazette (*Mémorial C*) and in a Luxembourg newspaper, unless all the shares are nominative, in which case this can be done by sending notice to all shareholders by registered mail 8 days before the meeting. Should it be decided not to convene a meeting through the means of publications, as set out above, but rather by sending registered mail to all shareholders (as the Company's shares are nominative) the longer notice period as set out in the Statutes will be respected.	Under Maltese law, there is a mandatory minimum notice period of 14 days. Blackstar S.E.'s proposed Statutes requires 14 days' notice. The notice period can only be waived if there is agreement between all the shareholders.
Location of shareholder meetings	There is no requirement as to the location of shareholder meetings under English law.	At least one general meeting must be held each year in Luxembourg.	Substantially the same as the English law position.
Quorum for general shareholder meeting	The Statutes provide that two persons entitled to attend and to vote on the business to be transacted, each being a shareholder present in person or a proxy for a shareholder or a duly authorised representative of a corporation which is a shareholder, shall be a quorum (unless that meeting is to consider amending the Statutes, in which case a majority of 75% of the members must be present or represented).	A quorum shall be two or more shareholders and the vote is a simple majority of the shareholders present or represented at the meeting. As previously stated,to amend the Statutes and for purposes of passing a number of other resolutions prescribed by the Law, the Luxembourg quorum requirements are at least one half of the capital being present or represented.	Substantially the same as the English law position.

	Current legal requirement		Future legal requirement
	English Law	**Luxembourg Law**	**Maltese Law**
Shareholder proposals	English law provides that the holders of 5% of the shares in issue can requisition a shareholders meeting. Shareholders who hold at least 5% of the Voting Shares or not less than 100 shareholders holding shares (on which an average of £100 has been paid up), can requisition a resolution or "matter" to be considered at a company's annual general meeting and require the company to circulate notice of it and an accompanying 1,000 word statement to shareholders.	Substantially the same as the English law position but the threshold is 10% both to requisition a meeting and to add to the agenda of a meeting. Given that English law is more favourable to shareholders in this respect (based on a 5% threshold), English law applies.	Substantially the same as the English law position but the threshold is 10%. The Statutes of the company will, however, provide for a 5% threshold.
Alteration of class rights	The Statutes provide that if at any time there are different classes of shares, the rights attaching to a class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied if 75% of the holders of the relevant class consent by a special resolution passed at a separate general meeting of the holders of the class or by written consent. The provisions of the Statutes in relation to general meetings apply *mutatis mutandis* to this meeting.	Under Luxembourg law, in order to change the respective rights where there is more than one class of shares, the quorum requirement is as per an amendment to the Statutes, namely at least one half of the capital of the particular class must be present or represented. At least two thirds of the votes cast of the particular class must vote in favour to carry the resolution. Where there is more than one class of shares and the special resolution is such as to change the rights of a specific class, the resolution must meet the quorum and majority requirements with respect to each class. Accordingly, this quorum requirement will apply as it is stricter than the equivalent English law provision.	Substantially the same as the English law position.
Registered office	English law permits the Company's registered office to be at any place in England and Wales and to be moved within England and Wales by a resolution of the Administrative Organ. As the Company is now an SE, it can transfer its registered office to another member country of the EU, subject to approval of the general meeting.	Substantially the same as the English law position, except that in case the registered office is transferred to another municipality, the transfer requires an amendment of the Statutes and a special resolution by the shareholders has to be taken.	Substantially the same as the English law position.
Members' residency requirements	English law does not impose any residency requirements for the members of the Administrative Organ.	Substantially the same as the English law position.	Substantially the same as the English law position.

	Current legal requirement		Future legal requirement
	English Law	**Luxembourg Law**	**Maltese Law**
Quorum for Administrative Organ meetings	Under the Statutes, the quorum necessary for the transaction of business by the Administrative Organ shall be fixed by the Administrative Organ, but until determined shall be two directors physically present.	Provided for in the Statutes.	Blackstar S.E.'s proposed Statutes state that the quorum shall be a majority of all directors present at the meeting either in person or by alternate director.
Major interests in shares	Subject to certain limited exceptions, any person holding 3% or more of the Company's voting rights, for as long as the company is admitted to trading, is required to notify the extent of that voting right and any whole percentage change in their voting rights.	There are no applicable "Qualifying Shareholder" thresholds for the SE under the Law. Accordingly, the stricter English law/AIM Rules will apply.	There are no applicable "Qualifying Shareholder" thresholds for the S.E. under the Companies Act. Such thresholds exist under the Banking Act and Investment Services Act however, based on the proposed activities of the S.E., these restrictions will not apply.
Compulsory acquisition on a takeover	An offeror who acquires 90% or more of the shares of a public company to which the offer relates may, subject to compliance with the relevant provisions of the Act, become entitled to acquire the remaining outstanding shares. In such circumstances a shareholder may also require the offeror to acquire his or her shares under the terms of the offer. A shareholder can give notice to the bidder if the shareholder has made an application to the court that the bidder should not be entitled to acquire his shares.	The Law of 19 May 2006 governing takeover bids in Luxembourg does not apply to the Company, as its shares are not listed on an EU Regulated market.	Substantially the same as the English law position however, if there is a disagreement regarding the fair value of the shares of the minority shareholders, the fair value of such consideration shall be determined by the court.
Unfair prejudice action	A shareholder may apply to the court by petition for an order on the ground that the company's affairs are being or have been conducted in a manner which is unfairly prejudicial to the interests of its shareholders, including at least himself or herself or that any actual or proposed act or omission of the company is or would be so prejudicial.	An action may also be brought against directors in contract or in tort. In contract an action cannot be taken by an individual shareholder or a group of minority shareholders. A decision of the shareholders at a general meeting is required. In tort it is open to an individual shareholder to show personal damage distinct from that caused to the company.	Substantially the same as the English law position.

	Current legal requirement		Future legal requirement
	English Law	**Luxembourg Law**	**Maltese Law**
Dissenters' rights	Subject to certain conditions, shareholders may make an application to the court for relief, in certain limited circumstances, including: • where shareholders are not less than 5% of the company's issued share capital object to an application by a public company to be re-registered as a private company; • where shareholders of not less than 15% of the class in question object to a proposed variation of the rights attaching to such class of shares; and in a takeover situation where the offeror has acquired 90% of the issued share capital of a company and a shareholder objects to his or her shares being compulsorily acquired by the offeror.	Under Luxembourg law, a shareholder may take an action where there has been an abuse by majority shareholders against minority shareholders when the majority adopt a decision that is contrary to the corporate interest with the sole aim of favouring the majority to the detriment of the minority. It is difficult for such an action to succeed, especially as a shareholder is not obliged to act in the best interest of the company.	Substantially the same as the English law position.
Derivative actions	A minority of shareholders can bring an action in their own name seeking a remedy on behalf of a company in respect of a wrong done to it. Proceedings are generally brought by the company in its own name and as such derivative actions are exceptional. Derivative actions are generally only permitted for negligence, default, breach of duty, or breach of trust by a member of the Administrative Organ.	Not applicable. Under Luxembourg law a company sues through its board. A derivative action could be made by creditors instead of the shareholders, but the company would be the beneficiary of such an action, not the creditor. Consequently, the stricter English law rules will apply here.	Derivative actions are possible under Maltese law where there is a fraud on the minority and the wrongdoers are in control of the company. This is substantially the same as the English law position before the introduction of the Companies Act 2006.
Application of Takeover Code	The UK's Takeover Code does not apply to listed companies not resident in the United Kingdom, and as such does not currently apply to any offer made to shareholders to acquire their shares in the Company while the Company's principal place of business is in Luxembourg, and will not apply when the principal place of business is transferred to Malta.	As stated above, the 2006 Law on Takeover Bids does not apply in this case.	The Takeover rules of the Malta Financial Services Authority apply in relation to takeover bids when all or some of the Securities of the offeree Company are Admitted to Trading on a Regulated Market in Malta. The takeover rules will therefore not apply to the Company.

	Current legal requirement		Future legal requirement
	English Law	**Luxembourg Law**	**Maltese Law**
Financial Assistance	The prohibition on financial assistance applies to financial assistance involving public companies. The following situations still constitute unlawful financial assistance: • Assistance given by a public company for the purpose of an acquisition of shares in that public company; • Assistance given by a subsidiary (whether public or private) of a public company for the purpose of an acquisition of shares in the public company; • Assistance given by a public subsidiary for the purpose of an acquisition of shares in its private holding company; • Assistance given by a company or its subsidiaries to reduce or discharge a liability incurred for the purpose of an acquisition of shares in that company if, at the time the assistance is given, that company is a public company; and • Assistance given by a public company subsidiary to reduce or discharge a liability incurred for the purpose of the acquisition of shares in its private holding company.	A whitewash procedure is available for public companies. English law will apply, as prohibited financial assistance will not be capable of being whitewashed. It would constitute unlawful financial assistance under Luxembourg law should a company directly or indirectly, advance funds or make loans or provide security with a view to the acquisition of its shares by a third party.	Under Maltese Company law, it is unlawful for a Company to either: • subscribe for, hold, acquire or otherwise deal in shares in a company which is its parent company; or • to give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of an acquisition or subscription made or to be made by any person of or for any shares in the company or its parent company. A whitewash procedure is available for private companies but not public ones. This will therefore not be available to Blackstar SE.

Schedule 2 to the Transfer Report

CREST and Depository Interests

It is proposed that the Company, prior to and conditional on the Transfer, enter into arrangements to enable Shareholders to settle and pay for interests in the ordinary shares in the Company ("**Shares**") through the CREST system by means of the creation of dematerialised depository interests representing such Shares. Pursuant to a method proposed by Euroclear UK and Ireland under which transactions in international securities may be settled through the CREST system, Capita IRG Trustees Limited ("**Capita IRG Trustees**" or the "**Depository**"), a subsidiary of Capita Registrars (which itself is a trading division of Capita IRG Plc), will issue a series of uncertificated depository interests ("**DIs**") representing entitlements to Shares. The DIs will be independent securities constituted under English law which may be held and transferred through the CREST system.

The DIs will be created pursuant to and issued on the terms of a deed poll to be executed by Capita IRG Trustees in favour of the holders of the DIs from time to time (the "**Deed Poll**"). Prospective holders of DIs should note that they will have no rights in respect of the underlying Shares or the DIs representing them against Euroclear UK and Ireland, or its subsidiaries.

Shares will be transferred to an account of Capita IRG Trustees or its nominated custodian and Capita IRG Trustees will issue DIs to participating members in CREST.

Each DI will be treated as one Share for the purposes of determining, for example, eligibility for any dividends. Capita IRG Trustees will pass on to holders of DIs any stock or cash benefits received by it as holder of Shares on bare trust for such DI holder. DI holders will also be able to receive notices of meetings of holders of Shares and other notices issued by the Company to its Shareholders.

The DIs will have the same security code (ISIN) as the underlying Shares and will not require a separate listing.

The Deed Poll will be available for inspection in due course and DI holders will be able to obtain a copy by emailing custodymgt@capitaregistrars.com. In summary the Deed Poll contains, *inter alia*, provisions to the following effect:

(a) The Depository will hold (itself or through its nominated Custodian), as bare trustee, the underlying securities issued by the Company and all and any rights and other securities, property and cash attributable to the underlying securities pertaining to the DIs for the benefit of the holders of the relevant DIs.

(b) Holders of DIs warrant, amongst other things, that the securities in the Company transferred or issued to the Custodian on behalf of the Depository or Custodian, as the case may be, are free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Company's constitutional documents or any contractual obligation, law or regulation.

(c) The Depository and any Custodian must pass on to DI holders and, so far as they are reasonably able, exercise on behalf of DI holders all rights and entitlements received or to which they are entitled in respect of the underlying securities which are capable of being passed on or exercised. Rights and entitlements to cash distributions, to information, to make choices and elections and to call for, attend and vote at meetings shall, subject to the Deed Poll, be passed on in the form in which they are received together with amendments and additional documentation necessary to effect such passing-on, or, as the case may be, exercised in accordance with the Deed Poll.

(d) The Depository will be entitled to cancel DIs in certain circumstances including where a DI holder has failed to perform any obligation under the Deed Poll or any other agreement or instrument with respect to the DIs.

(e) The Deed Poll contains provisions excluding and limiting the Depository's liability. For example, the Depository shall not be liable to any DI holder or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence, wilful default or fraud or that of any person for whom it is vicariously liable, provided that the Depository shall not be liable for the negligence, wilful default or fraud of any Custodian or agent which is not a member of its group unless it has failed to exercise reasonable care in the appointment and continued use and supervision of such Custodian or agent, Furthermore, the Depository's liability to a holder of DIs will be limited to the lesser of:

    (i) the value of the shares and other deposited property properly attributable to the DIs to which the liability relates; and

    (ii) that proportion of £10,000,000 which corresponds to the portion which the amount the Depository would otherwise be liable to pay to the DI holder bears to the aggregate of the amounts the Depository would otherwise be liable to pay to all such holders in respect of the same act, omission or event or, if there are no such amounts, £10,000,000.

(f) The Depository is entitled to charge holders of DIs fees and expenses for the provision of its services under the Deed Poll.

(g) Each holder of DIs is liable to indemnify the Depository and any Custodian (and their agents, officers and employees) against all liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the property held for the account of DIs held by that holder, other than those resulting from the negligence, wilful default or fraud of the Depository, or the Custodian or any agent if such Custodian or agent is a member of the Depository's group or if, not being a member of the same group, the Depository shall have failed to exercise reasonable care in the appointment and continued use and supervision of such Custodian or agent.

(h) The Depository may terminate the Deed Poll by giving not less than 30 days' notice. During such notice period holders may cancel their DIs and withdraw their deposited property and, if any DIs remain outstanding after termination, the Depository must, among other things, deliver the deposited property in respect of the DIs to the relevant DI holders or, at its discretion sell all or part of such deposited property. It shall, as soon as reasonably practicable, deliver the net proceeds of any such sale, after deducting any sums due to the Depository, together with any other cash held by it under the Deed Poll *pro rata* to holders of DIs in respect of their DIs.

The Depository or the Custodian may require from any holder information as to the capacity in which DIs are owned or held and the identity of any other person with any interest of any kind in such DIs or the underlying securities in the Company and holders are bound to provide such information requested. Furthermore, to the extent that, amongst other things, the Company's constitutional documents require disclosure to the Company of, or limitations in relation to, beneficial or other ownership of, or interests of any kind whatsoever, in the Company's securities, the holders of DIs are to comply with such provisions and with the Company's instructions with respect thereto.

It should also be noted that holders of DIs may not have the opportunity to exercise all of the rights and entitlements available to holders of Shares including, for example, the ability to vote on a show of hands. In relation to voting, it will be important for holders of DIs to give prompt instructions to the Depository or its nominated Custodian, in accordance with any voting arrangements made available to them, to vote the underlying shares on their behalf or, to the extent possible, to take advantage of any arrangements enabling holders of DIs to vote such shares as a proxy of the Depository or its nominated Custodian.

The Depository Agreement

A depository agreement to be entered into between the Company and Capita IRG Trustees (the "**Depository Agreement**") under which the Company, subject to and conditional upon the Transfer becoming effective, appoints Capita IRG Trustees to constitute and issue from time to time, upon the terms of the Deed Poll, a series of uncertificated Depository Interests representing securities issued by the Company and to provide certain other services in connection with such Depository Interests with a view to facilitating the indirect holding by participants in CREST.

Capita IRG Trustees agrees that it will comply, and will procure certain other persons comply, with the terms of the Deed Poll and that it and they will perform their obligations in good faith and with all reasonable skill, diligence and care. Capita IRG Trustees assumes certain specific obligations including, for example, to arrange for the Depository Interests to be admitted to CREST as participating securities and to provide copies of and access to, the register of Depository Interests. Capita IRG Trustees warrants that it is an authorised person under the Financial Services and Markets Act 2000 and is duly authorised to carry out custodial and other activities under the Deed Poll. It also undertakes to maintain that status and authorisation. It will either itself or through its appointed Custodian as bare trustee hold the deposited property (which includes, amongst other things, the securities represented by the Depository Interests) for the benefit of the holders of the Depository Interests as tenants in common, subject to the terms of the Deed Poll.

The Company agrees to provide such assistance, information and documentation to Capita IRG Trustees as is reasonably required by Capita IRG Trustees for the purposes of performing its duties, responsibilities and obligations under the Deed Poll and the Depository Agreement. In particular, the Company is to supply Capita IRG Trustees with all documents it sends to its shareholders so that Capita IRG Trustees can distribute the same to all holders of Depository Interests. The agreement sets out the procedures to be followed where the Company is to pay or make a dividend or other distribution and in respect of voting at general or other meetings.

Capita IRG Trustees is to indemnify the Company and each of its subsidiaries and subsidiary undertakings against claims made against any of them by any holder of Depository Interests or any person having any direct or indirect interest in any such Depository Interests or the underlying securities which arises out of any breach or alleged breach of the terms of the Deed Poll or any trust declared or arising thereunder. The agreement is to remain in force for as long as the Deed Poll remains in force.

The Company may terminate the appointment of Capita IRG Trustees if an Event of Default (as defined in the Depository Agreement) occurs in relation to Capita IRG Trustees or if it commits an irremediable material breach of the agreement or the Deed Poll or any other material breach which is not remedied within 30 days. Capita IRG Trustees has the same termination rights in respect of Events of Default occurring or any breach by the Company. Either of the parties may terminate Capita IRG Trustees' appointment by giving not less than 45 days' written notice. If the appointment is terminated on an Event of Default or breach, Capita IRG Trustees must serve notice to terminate the Deed Poll by giving 30 days' notice to all holders of Depository Interests. If the appointment is terminated by 45 days' written notice, Capita IRG Trustees must serve notice to terminate the Deed Poll such that its appointment and the Deed Poll terminate on the same date. In either case if Capita IRG Trustees fails to serve notice to terminate the Deed Poll, the Company may do so on its behalf as its duly authorised attorney. Capita IRG Trustees agrees that it will not without the prior written consent of the Company terminate or take any steps to terminate the Deed Poll other than in accordance with the provisions of the

Depository Agreement. Capita IRG Trustees is to ensure that any custodian and any person who maintains the register of Depository Interests is a member of its group and may not subcontract or delegate its obligations under the Deed Poll to a company that is not a member of the same group without the Company's consent.

The Company is to pay certain fees and charges including, *inter alia*, an annual fee, a fee based on the number of Depository Interests per year and certain CREST related fees. Capita IRG Trustees is also entitled to recover reasonable out of pocket fees and expenses from the Company.

Schedule 3 to Transfer Report

Taxation Considerations

PART A: MALTA

1. General

THE FOLLOWING SUMMARY IS PROVIDED AS A GENERAL OVERVIEW OF THE MALTESE TAX IMPLICATIONS FOR THE SHAREHOLDERS OF THE COMPANY IN THE CASE OF A TRANSFER OF THEIR SHARES. THE SUMMARY IS BASED ON AN INTERPRETATION OF MALTESE TAXATION LAW CURRENTLY IN FORCE AT THE DATE OF THIS MEMORANDUM AND IS SUBJECT TO CHANGES IN TAX LEGISLATION OR ITS INTERPRETATION OR APPLICATION AFTER SUCH DATE.

THE SUMMARY BELOW DOES NOT CONSTITUTE TAX ADVICE AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OF ALL THE TAX CONSIDERATIONS THAT MAY BE APPLICABLE TO A DECISION TO TRANSFER THE COMPANY TO MALTA OR TO A TRANSFER OF SHARES IN THE COMPANY AFTER ITS TRANSFER TO MALTA. THE COMPANY AND ITS ADVISORS DO NOT ASSUME ANY RESPONSIBILITY IN THIS REGARD.

THE TAX CONSEQUENCES FOR EACH SHAREHOLDER MAY VARY DEPENDING ON THE PARTICULAR TAX CIRCUMSTANCES OR STATUS OF EACH INDIVIDUAL SHAREHOLDER AND THE CLASSIFICATION OF THE SHARES FROM A TAX PERSPECTIVE. CONSEQUENTLY, EACH SHAREHOLDER IS URGED TO CONSULT HIS OR ITS OWN TAX ADVISORS IN RESPECT OF THE SHARES IN THE COMPANY UPON ITS TRANSFER TO MALTA, INCLUDING TAX IMPLICATIONS ON THE HOLDING AND TRANSFER OF THE SAID SHARES. LEGISLATIVE, JUDICIAL OR ADMINISTRATIVE CHANGES MAY BE FORTHCOMING THAT COULD AFFECT THE PRINCIPLES DISCUSSED IN THIS SUMMARY.

2. Taxation of the shareholders in respect of the Shares

2.1 Profits and capital gains on the transfer of Shares

Any gains or profits derived by non-Maltese resident Shareholders on the transfer of Shares in the Company should be exempt from Maltese tax if:

(i) the Company does not:

  (a) own immovable property situated in Malta; or

  (b) own any real rights over such property; or

  (c) hold, directly or indirectly, shares or interest in any entity which owns immovable property situated in Malta or any real rights over such property, provided that if the Company holds any such shares or interests, less than 5% of the total value of the shares or interests so held is attributable to such immovable property or rights thereon;

  and

(ii) the beneficial owner of the said gain or profit is a person not resident in Malta and not owned and controlled by, directly or indirectly, nor acts on behalf of an individual who is ordinarily resident and domiciled in Malta.

The Company currently complies with the requirements set out in paragraph (i) above and expects to continue to do so for the foreseeable future.

Trading profits or capital gains on the transfer of Shares by Maltese resident Shareholders may be liable to Maltese tax unless they can avail themselves of any specific exemptions applicable to them.

2.2 Duty on documents and transfers

Transfers and transmission upon death of Shares in the Company should be exempt from Maltese stamp duty provided that the Company qualifies for, applies for and is issued with a stamp duty exemption.

The Company qualifies for the stamp duty exemption if it proves to the Commissioner that it carries on, or intends to carry on, business or has, or intends to have, business interests to the extent of more than 90% outside Malta. The Company should be able to satisfy such a ground for exemption on the basis that it will carry all of its business activities outside Malta.

The exemption will not continue to apply if the Company:

(i) owns immovable property situated in Malta; or

(ii) owns any real rights over such property; or

(iii) holds, directly or indirectly, shares or interest in any entity which owns immovable property situated in Malta or any real rights over such property, (unless where the Company holds any such shares or interests, less than 5% of the total value of the shares or interests so held is attributable to such immovable property or rights thereon).

PART B: UNITED KINGDOM

1. General

THE FOLLOWING STATEMENTS ARE NOT EXHAUSTIVE, DO NOT CONSTITUTE TAX ADVICE AND ARE INTENDED ONLY AS A GENERAL GUIDE TO CURRENT UK LAW AND HMRC PUBLISHED PRACTICE (WHICH ARE BOTH SUBJECT TO CHANGE AT ANY TIME, POSSIBLY WITH RETROSPECTIVE EFFECT). THEY RELATE ONLY TO CERTAIN LIMITED ASPECTS OF THE UK TAXATION TREATMENT OF SHAREHOLDERS AND ARE INTENDED TO APPLY ONLY, EXCEPT TO THE EXTENT STATED BELOW, TO PERSONS WHO ARE RESIDENT AND, IF INDIVIDUALS, ORDINARILY RESIDENT AND DOMICILED IN THE UNITED KINGDOM FOR UK TAX PURPOSES, AND WHO ARE ABSOLUTE BENEFICIAL OWNERS OF THE SHARES (OTHERWISE THAN THROUGH AN INDIVIDUAL SAVINGS ACCOUNT OR A SELF-INVESTED PERSONAL PENSION) AND WHO HOLD THEM AS INVESTMENTS (AND NOT AS SECURITIES TO BE REALISED IN THE COURSE OF TRADE). THEY MAY NOT APPLY TO CERTAIN SHAREHOLDERS, SUCH AS DEALERS IN SECURITIES, INSURANCE COMPANIES AND COLLECTIVE INVESTMENT SCHEMES, SHAREHOLDERS WHO ARE EXEMPT FROM TAXATION AND SHAREHOLDERS WHO HAVE (OR ARE DEEMED TO HAVE) ACQUIRED THEIR SHARES BY VIRTUE OF AN OFFICE OF EMPLOYMENT. SUCH PERSONS MAY BE SUBJECT TO SPECIAL RULES.

ANY PERSON WHO IS IN ANY DOUBT AS TO THEIR TAX POSITION, OR WHO IS SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UNITED KINGDOM, SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS WITHOUT DELAY.

2. Dividends

2.1 Individual Shareholders within the charge to UK income tax

When the Company pays a dividend to a Shareholder who is an individual ordinarily resident (for tax purposes) in the United Kingdom, the Shareholder should in certain circumstances be entitled to a non-refundable tax credit equal to one-ninth of the dividend received. The dividend received plus the related tax credit (the "**gross dividend**") will be part of the Shareholder's total income for UK income tax purposes and will be regarded as the top slice of that income. However, in calculating the Shareholder's liability to income tax in respect of the gross dividend, the tax credit (which equates to 10% of the gross dividend) is set off against the tax chargeable on the gross dividend.

(A) *Starting or Basic Rate Taxpayers*

In the case of a Shareholder who is liable to income tax at the starting or basic rate, the Shareholder will be subject to tax on the gross dividend at the rate of 10%. The tax credit should, in consequence, satisfy in full the Shareholder's liability to income tax on the gross dividend.

(B) *Higher Rate Taxpayers*

To the extent that the gross dividend falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax, the Shareholder will be subject to tax on the gross dividend at the rate of 32.5%. This means that the tax credit should satisfy only part of the Shareholder's liability to income tax on the gross dividend, so that (to the extent that the gross dividend is taxed at 32.5%) the Shareholder will have to account for income tax equal to 22.5% of the gross dividend (which equates to 25% of the dividend received). For example, assuming the entire gross dividend falls above the higher rate threshold and below the additional rate threshold, a dividend of £90 from the Company would represent a gross dividend of £100 (after the addition of the tax credit of £10) and the Shareholder would be required to account for income tax of £22.50 on the dividend, being £32.50 (i.e. 32.5% of £100) less £10 (the amount of the tax credit).

(C) *Additional Rate Taxpayers*

To the extent that the gross dividend falls above the threshold for the additional rate of income tax, the Shareholder will be subject to tax on the gross dividend at the rate of 42.5%. This means that the tax credit should satisfy only part of the Shareholder's liability to income tax on the gross dividend, so that (to the extent that the gross dividend is taxed at 42.5%) the Shareholder will have to account for income tax equal to 42.5% of the gross dividend (which equates to approximately 36.1% of the dividend received). For example, assuming the entire gross dividend falls above the additional rate threshold, a dividend of £90 from the Company would represent a gross dividend of £100 (after the addition of the tax credit of £10) and the Shareholder would be required to account for income tax of approximately £32.50 on the dividend, being £42.50 (i.e. 42.5% of £100) less £10 (the amount of the tax credit).

2.2 Corporate Shareholders within the charge to UK Corporation Tax

United Kingdom resident corporate shareholders will generally not be subject to corporation tax on dividends assuming one of the dividend exemption criteria is met and they do not fall within certain anti-avoidance rules.

2.3 No Payment of Tax Credit

A Shareholder (whether an individual or a company) who is not liable to tax on dividends from the Company will not be entitled to claim payment of the tax credit in respect of those dividends.

3. Chargeable gains

3.1 Individual Shareholders

A disposal of Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK capital gains tax, depending on the circumstances and subject to any available exemption or relief.

No indexation allowance will be available to an individual Shareholder in respect of any disposal of Shares.

Capital gains tax will generally be charged at 18% to the extent that the total chargeable gains and, generally, total taxable income arising in a tax year, after all allowable deductions (including losses, the income tax personal allowance and the capital gains tax annual exempt amount), are less than the upper limit of the income tax basic rate band. To the extent that any chargeable gains (or part of any chargeable gains) arising in a tax year exceed the upper limit of the income tax basic rate band when aggregated with any such income (in the manner referred to above), capital gains tax will be charged at 28%.

3.2 Corporate Shareholders

A disposal of Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief. Indexation allowance may reduce the amount of any chargeable gain that is subject to corporation tax but may not create or increase any allowable loss.

4. Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No stamp duty will be payable on the issue of ordinary shares. Stamp duty can however apply on the transfer of Shares, following the Transfer, at the rate of 0.5% of the consideration paid for the transfer (rounded up to the nearest £5). It broadly applies to a written transfer of Shares executed in the UK or relating to any matter or thing done in the UK. Where stamp duty applies, such a transfer may not, except in criminal proceedings, be given in evidence or be available for any purpose in the UK unless it is duly stamped.

SDRT will be chargeable (at a rate of 0.5% of the consideration) on an agreement to transfer Depository Interests representing the Shares within CREST if the Shares are not listed on a recognised stock exchange for SDRT purposes. However, SDRT should not be chargeable if the Shares are listed on a recognised stock exchange (such as the London Stock Exchange Main Market) and certain other conditions are satisfied. No SDRT will be chargeable on the issue of the Shares nor on the transfer of the Shares not within (or represented by Depository Interests within) CREST provided the Company has a single register of Shares; such register of Shares is kept outside the UK; such Shares are not paired with shares issued by a body corporate incorporated in the UK; and at the time when it falls to be determined whether the securities are chargeable, the Company does not have its registered office in the UK.

5. Anti-avoidance

A UK resident corporate shareholder who, together with connected or associated persons, is entitled to at least 25% of the ordinary share capital of the Company should note the provisions of the Controlled Foreign Companies legislation contained in Sections 747-756 of the Income and Corporation Taxes Act 1988. The attention of individual shareholders who are ordinarily resident in the UK is drawn to Chapter 2 of Part 13 of the Income Tax Act 2007, which may in certain circumstances render them liable to UK tax in respect of the undistributed profits of the Company.

The attention of shareholders who are resident or ordinarily resident in the UK is also drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a proportion of capital gains made by a non-UK company can be attributed to a person who holds, alone or together with connected persons, more than 10% of the ordinary share capital of the Company.

PART C: SOUTH AFRICA

THE FOLLOWING SUMMARY IS BASED ON AN INTERPRETATION OF SOUTH AFRICAN TAX LAW AND THE PUBLISHED PRACTICE OF THE SOUTH AFRICAN REVENUE SERVICE CURRENTLY IN FORCE AT THE DATE OF THIS MEMORANDUM AND IS SUBJECT TO CHANGES IN TAX LEGISLATION (WHICH CHANGES MAY HAVE RETROSPECTIVE APPLICATION) OR ITS INTERPRETATION OR APPLICATION AFTER SUCH DATE. THE FOLLOWING STATEMENTS RELATE ONLY TO CERTAIN LIMITED ASPECTS OF THE SOUTH AFRICAN TAXATION TREATMENT OF SHAREHOLDERS.

THE SUMMARY BELOW DOES NOT CONSTITUTE TAX ADVICE AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OF ALL THE TAX CONSIDERATIONS THAT MAY BE APPLICABLE TO A DECISION TO TRANSFER THE COMPANY TO MALTA OR TO A TRANSFER OF SHARES IN THE COMPANY AFTER ITS TRANSFER TO MALTA. THE COMPANY AND ITS ADVISORS DO NOT ASSUME ANY RESPONSIBILITY IN THIS REGARD. THE SUMMARY RELATES ONLY TO PERSONS WHO ARE THE BENEFICIAL OWNERS OF THE SHARES AND WHO HOLD THE SHARES AS A CAPITAL INVESTMENT, AND DOES NOT DEAL WITH SPECIAL CLASSES OF PERSONS TO WHOM SPECIAL RULES MAY APPLY.

THE TAX CONSEQUENCES FOR EACH SHAREHOLDER MAY VARY DEPENDING ON THE PARTICULAR TAX CIRCUMSTANCES OR STATUS OF EACH SHAREHOLDER AND THE CLASSIFICATION OF THE SHARES FROM A TAX PERSPECTIVE. CONSEQUENTLY, EACH SHAREHOLDER IS URGED TO CONSULT HIS OR ITS OWN TAX ADVISORS IN RESPECT OF THE SHARES IN THE COMPANY UPON ITS TRANSFER TO MALTA, INCLUDING TAX IMPLICATIONS ON THE HOLDING AND TRANSFER OF THE SAID SHARES.

IF YOU ARE RESIDENT OR OTHERWISE SUBJECT TO TAX IN ANY JURISDICTION OTHER THAN SOUTH AFRICA OR IF YOU ARE IN ANY DOUBT AS TO YOUR TAX POSITION, YOU SHOULD CONSULT AN APPROPRIATE ADVISER.

1. South Africa – Taxation of the Company and Company's shareholders

1.1 South African taxation

This summary of certain material South African income tax consequences only deals with purchasers of Shares that are SA Holders and Non-SA Holders, as defined below, and that will hold the Shares as capital assets. As used herein the term "**SA Holder**" means a "shareholder" who is (i) a natural person ordinarily resident in South Africa; (ii) a natural person not ordinarily resident in South Africa but whose physical presence in South Africa exceeds certain thresholds or (iii) a person, other than a natural person, which is incorporated, established or formed in South Africa or which has its place of effective management in South Africa. The term does not include a non-natural person incorporated, established or formed in South Africa, if that person is deemed to be exclusively the resident of another country for purposes of the application of any agreement entered into between South Africa and that other country for the avoidance of double taxation. The term "**Non-SA Holders**" therefore means a "shareholder" other than a "SA Holder". In general, a "shareholder" means the registered shareholder in respect of a share or, where some person other than the registered shareholder is entitled to all or part of the benefit of the rights of participation in the profits, income or capital attaching to that share, that other person to the extent of that entitlement. The following paragraphs contain a general summary of South African tax implications.

1.2 Income tax

Generally, a company is a South African tax resident company if it is either incorporated in South Africa or has its place of effective management in South Africa. South African tax resident companies are taxed on their world-wide income.

The Company is not a South African tax resident company and hence would (in the absence of the double taxation agreement ("**DTA**") between Malta and South Africa allocating taxation rights to Malta) only be liable to South African income tax on its South African sourced and deemed source income and to South African capital gains tax ("**CGT**") on the disposal of (i) South African situs immoveable property, (ii) the disposal of shares in so-called "land-rich" companies and (iii) the disposal of assets attributed to a South Africa permanent establishment.

1.3 Dividends

Dividends paid by the Company to the SA Holders will in terms of the current provisions of section 10(1)(k)(ii)(bb) of the Income Tax Act, No 58 of 1962 constitute exempt foreign dividends and will as such be exempt from South African income tax in the SA Holders' hands. However, with effect from 1 April 2012, a withholding tax on dividends ("**DWT**") will be introduced. The DWT will constitute a withholding tax imposed at a shareholder level and will be levied at a rate of 10% in respect of (i) shares issued by South African resident companies and (ii) shares held by the SA Holders that are issued by non resident companies that are listed in South Africa (such as the Company). Dividends received by the Non-SA Holders will not be subject to the DWT in South Africa.

2. Taxation of capital gains and losses

2.1 South African resident shareholders – individuals

A disposal of Shares by an individual shareholder who is resident in South Africa for tax purposes may give rise to a gain (or loss) for the purposes of CGT. The capital gain (or loss) on disposal of the Shares is equal to the difference between the disposal proceeds and the base cost. A shareholder's base cost in the Shares will generally be the consideration paid for those Shares. The base cost in the Shares may be increased by the direct costs incurred in acquiring the Shares, to the extent that such amounts are not otherwise allowable for deduction in the determination of taxable income. A gain on a disposal of Shares, together with other capital gains, less allowable capital losses in a year of assessment, is subject to tax at the individual's marginal tax rate (maximum 40%) to the extent that it exceeds the annual exclusion (ZAR17,500 for the years of assessment ended 28 February 2011 and ZAR20,000 for the year ending 29 February 2012). Only 25% of the net capital gain is included in taxable income, resulting in a maximum effective tax rate on capital gains of 10%. On the death of a taxpayer, there is a deemed disposal of the Shares at market value, unless the Shares are bequeathed to, or in favour of, a surviving spouse. Deemed disposals to a surviving spouse, who is a South African resident, are treated, in practical effect, as taking place at no gain or loss. The annual exclusion where death occurs during the year of assessment ending 29 February 2012 is ZAR200 000. Where a taxpayer emigrates (i.e. gives up his South African tax residence) there will also be a deemed disposal of the Shares at market value and this may trigger CGT.

2.2 South African resident shareholders – corporates

A disposal of Shares by a South African resident corporate shareholder may give rise to a capital gain (or loss) for the purposes of taxation of capital gains. The capital gain (or loss) on disposal of the Shares is equal to the difference between the disposal proceeds and the base cost. A shareholder's base cost in the Shares will generally be the consideration paid for the Shares. The base cost in the Shares may be increased by the direct costs incurred in acquiring the Shares, to the extent that such amounts are not otherwise allowable for deduction in the determination of taxable income. A capital gain on a disposal of Shares by a corporate shareholder, together with other capital gains, less allowable losses in a year of assessment, is subject to tax at the normal tax rate for companies (currently 28%). Only 50% of the net capital gain is included in taxable income, resulting in a maximum effective tax rate on capital gains of 14%.

2.3 Estate duty

Where a person who is ordinarily resident in South Africa holds Shares at the date of his death, the market value of such Shares will be included in the estate. Estate duty is levied at a flat rate of 20% on the dutiable amount of the deceased estate to the extent that it exceeds ZAR3.5 million per estate. In determining the dutiable amount of an estate, deductions are, *inter alia*, allowed for the value of bequests and property left to a surviving spouse, and estate liabilities, including capital gains tax paid on the deemed disposal of the Shares on date of death. Estate duty is currently under review, given, *inter alia*, the limited revenue that it raises and the administrative burden it creates.

2.4 Securities transfer tax

Securities transfer tax ("**STT**") of 0.25% of the applicable taxable amount is payable in respect of every "transfer" of securities issued by (i) a company incorporated in South Africa or (ii) a company incorporated outside South Africa and listed on an "exchange" as defined in section 1 of the Securities Services Act, No 36 of 2004) and licensed under section 10 of that Act. "Transfer" includes any cancellation or redemption of a security, but does not include the issue of a security or any event that does not result in a change in beneficial ownership of a security. A purchase of Shares from or through the agency of a JSE registered broker is subject to STT of 0.25% of the purchase consideration. The STT is payable by the broker, which may recover it from the transferee. Where Shares are not purchased from or through the agency of a broker, but the change in beneficial ownership is effected by a central securities depository participant ("**Participant**"), STT of 0.25% of the greater of the declared purchase consideration or the JSE closing price of Shares on the date of the transaction is payable by the Participant, which may recover it from the transferee.

In any other case of a change in beneficial ownership of Shares (including where the change is as a result of a transfer pursuant to a trade on any exchange other than the JSE Limited), STT of 0.25% of the greater of the declared purchase consideration or the JSE closing price of Shares is payable by the transferee through the broker or Participant, which holds the Shares in custody.

BLACKSTAR GROUP SE

(a Societas Europaea formed in accordance with Council Regulation (EC) No. 21578/2001 and registered in England and Wales with number SE000030)

(R.C.S. Luxembourg number B114318)

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Blackstar Group SE (the "**Company**") will be held at 58, rue Charles Martel, L-2134 Luxembourg on 10 February 2012 at 11.00 a.m. CET (or as soon thereafter as it may be held) in the presence of a Luxembourg notary for the purpose of considering and, if thought fit, passing the following resolutions:

1. THAT:

   a) the Transfer Proposal and Transfer Report as presented to the meeting be approved and that the Company redomicile to Malta pursuant to Articles 8 and 59 of the Council Regulation (EC) No 2157/2001 of 8 October 2001 (the SE regulations) (the "**redomiciliation**");

   b) upon redomiciliation, the registered office of the Company will be The Penthouse Suite, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta;

   c) upon redomiciliation the statutes contained in the document submitted to the meeting and for the purposes of identification signed by the chairperson be approved and adopted as the statutes of the Company in substitution for and to the exclusion of the existing statutes of the Company; and

   d) any employee of M Partners, the Company's legal advisors in Luxembourg, be authorised, if necessary, to appear before a Luxembourg notary on behalf of the Company in order to take such steps and sign such documents as are required to remove the Company from the Registre de Commerce et des Sociétés pursuant to its redomiciliation.

2. THAT following redomiciliation the following members of the Administrative Organ continue as its members:

   a) Andrew David Bonamour;

   b) Wolfgang Andreas Baertz;

   c) Marcel Ernzer;

   d) John Broadhurst Mills; and

   e) Charles Taberer.

3. THAT upon redomiciliation BDO LLP and BDO Malta CPA be appointed as the joint auditors of the Company for the financial year ending 31 December 2012.

The Transfer Proposal and Transfer Report referred to in Resolution 1(a) are contained at Part 2 and 3 of this Circular. For further background on the proposals please also refer to the letter from the Chairman at Part 1.

Resolution 1 is to be proposed as special resolution. Resolution 1 requires a 75% majority by value of the Shares present or represented at the Extraordinary General Meeting. In addition, in order to pass Resolution 1 under Luxembourg law, a quorum of more than half of the issued Shares by value is required to be present or represented at the Extraordinary General Meeting. Resolutions 2 and 3 are ordinary resolutions, each requiring 50% majority by value of Shares present or represented at the Extraordinary General Meeting.

In accordance with Luxembourg law, the Extraordinary General Meeting cannot be adjourned if there is no quorum. Accordingly, if at the Extraordinary General Meeting (the "**First Meeting**") the aforesaid quorum requirement of more than half of the issued Shares by value is not present, Resolution 1 will not be proposed and will, therefore, not be capable of being passed. The Administrative Organ may then decide to convene a subsequent General Meeting (the "**Second Meeting**") to re-consider Resolution 1 (and any other Resolutions not passed at the First Meeting), for which a further notice of meeting will be sent to the Members in accordance with the Statutes.

The quorum requirement in relation to all the Resolutions at the Second Meeting will be at least two Members present or represented at the Second Meeting.

If Resolution 1 is not passed at the First Meeting, it can be passed at the Second Meeting by a majority of 75% by value of the Shares present or represented at the Second Meeting.

By order of the Administrative Organ of the Company

7 December 2011

Registered Office:

Capita Company Secretarial Services
2nd Floor
Ibex House
The Minories
London
EC3N 1DX

Notes:

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote at the meeting instead of him. The proxy need not be a member of the Company but must attend the meeting in order to represent his appointor. A member entitled to attend and vote at the meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. A member who wishes his proxy to speak for him should appoint his own choice of proxy (not the Chairman) and give instructions directly to that person.

2. A member entitled to attend and vote at the meeting is entitled to appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares held by that member. To appoint more than one proxy, you may photocopy the enclosed Form of Proxy. Please indicate in the Form of Proxy the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

3. To be valid, a Form of Proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Capita Registrars (PXS), 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote. In the case of a poll taken more than 48 hours after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours before the time appointed for taking the poll, or where the poll is taken not more than 48 hours after it was demanded, the document(s) must be delivered at the meeting at which the demand is made. If you prefer, you may return the proxy form to the Registrar in an envelope addressed to FREEPOST RSBH-UXKS-LRBC, Capita Registrars (PXS), 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

4. A Form of Proxy which may be used to appoint a proxy and give proxy directions accompanies this notice. If you do not receive a proxy form and believe that you should have one, or if you require additional proxy forms in order to appoint more than one proxy, please contact Capita Registrars on 0871 664 0300 or from overseas +44 208 639 3399. Calls cost 10p per minute plus network charges, lines are open 8.30 a.m. – 5.30 p.m. (GMT) Monday – Friday.

5. The register of interests of the members of the Administrative Organ and their families in the share capital of the Company and copies of contracts of service of members of the Administrative Organ with the Company or with any of its subsidiary undertakings will be available for inspection at the registered office of the Company and at the principal place of business of the Company in Luxembourg during normal business hours (Saturdays and public holidays excepted) from the date of this notice until the conclusion of the Extraordinary General Meeting.

6. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members in order to have the right to attend and vote at the Extraordinary General Meeting is 7.00 p.m. (CET) on 9 February 2012 (being not more than 48 hours prior to the time fixed for the meeting) or, if the meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the meeting.

7. Any corporation that is a member of the Company may, by resolution of its directors or other governing body, authorise any person it thinks fit to act as its representative at the Extraordinary General Meeting.

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting to be held on the above date and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent, Capita Registrars, (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

   CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and

limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST Blackstar member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

9. For Shareholders on the South African sub-register who hold their shares in certificated form or in dematerialised form registered in their own-name, forms of proxy must be lodged with or posted to South African Transfer Secretaries, Linked Market Services South Africa (Pty) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2000 (PO Box 4844, Braamfontein, 2000) to be received by no later than 9.00 a.m. (South African time) on 8 February 2012.

10. For Shareholders on the South African sub-register who hold their shares in dematerialised form registered in a name other than their own-name, who wish to attend the meeting in person, will need to request their Central Securities Depository Participant ("CSDP") or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such shareholders and the CSDP or broker. Such Shareholders who are unable to attend the general meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.

Copies of the company's Statutes marked to show the proposed amendments to be adopted at the Extraordinary General Meeting are available for inspection at the company's registered office during normal business hours on any business day until the close of the Extraordinary General Meeting and for at least 15 minutes prior to, and during, the Extraordinary General Meeting.

PART 5: FORM OF PROXY

BLACKSTAR GROUP SE

(a Societas Europaea formed in accordance with Council Regulation (EC) No. 21578/2001 and registered in England and Wales with number SE000030)

(R.C.S. Luxembourg number B114318)

(the "Company")

FORM OF PROXY

For use at the Extraordinary General Meeting to be held in the presence of a Luxembourg notary at 58, rue Charles Martel, L-2134 Luxembourg, on 10 February 2012 at 11.00 a.m. (CET) or as soon thereafter as it may be held. Please read the notice of Extraordinary General Meeting and the explanatory notes below before completing this form.

I/We .....
(Please insert full name in block capitals)

being a member of the Company hereby appoint the Chairman of the Meeting or

.....(see Note 1)
(Please insert full name in block capitals)

as my/our proxy in relation to all/..... of my/our shares, to attend and vote for me/us at the Extraordinary General Meeting of the Company to be held on 10 February 2012 at 11.00 a.m. (CET) and at any adjournment of that meeting. I/We direct the proxy to vote in relation to the resolutions referred to below as follows:

Please indicate by ticking the box if this proxy appointment is one of multiple appointments being made ☐

Resolutions	For	Against	Vote Withheld*
1. THAT: (a) the Transfer Proposal and Transfer Report as presented to the meeting be approved and that the Company redomicile to Malta pursuant to Articles 8 and 59 of the Council Regulation (EC) No 2157/2001 of 8 October 2001 (the SE regulations) (the "**Redomiciliation**"); (b) upon redomiciliation, the registered office of the Company will be The Penthouse Suite, Avantech Building, St Julian's Road, San Gwann, SGN 2805; (c) upon redomiciliation the statutes contained in the document submitted to the meeting and for the purposes of identification signed by the chairperson be approved and adopted as the statutes of the Company in substitution for and to the exclusion of the existing statutes of the Company; and (d) any employee of M Partners, the Company's legal advisors in Luxembourg, be authorised, if necessary, to appear before a Luxembourg notary on behalf of the Company in order to take such steps and sign such documents as are required to remove the Company from the Registre de Commerce et des Sociétés in Luxembourg in connection with its redomiciliation.			
2. THAT upon redomiciliation the following members continue as members of the Administrative Organ: (a) Andrew David Bonamour; (b) Wolfgang Andreas Baertz; (c) Marcel Ernzer; (d) John Broadhurst Mills; and (e) Charles Taberer.			
3. THAT BDO LLP and BDO Malta CPA be appointed as the joint auditors of the Company for the financial year ending 31 December 2012.			

If you want your proxy to vote in a certain way on the resolutions specified, please place an "X" in the appropriate box. If you fail to select any of the given options your proxy can vote as he/she chooses or can decide not to vote at all. The proxy can also do this on any other resolution that is put to the meeting.

*The "Vote Withheld" option is to enable you to abstain on any particular resolution. However, it should be noted that a "vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution.

Please indicate below whether or not you intend to be present at the meeting. This information is sought for administrative purposes only and will not affect your right to attend the meeting, notwithstanding any indication to the contrary.

I will be attending the Meeting ☐ I will not be attending the Meeting ☐

Signature ..... Date.....2011/12

NOTES:

1. To appoint as a proxy a person other than the Chairman of the meeting insert the full name in the space provided. A proxy need not be a member of the Company. You can also appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by you. The following options are available:
   (1) To appoint the **Chairman** as your **sole proxy** in respect of all your shares, simply fill in any voting instructions in the appropriate box and sign and date the Form of Proxy.
   (2) To appoint a **person other than the Chairman as your sole proxy** in respect of all your shares, delete the words 'the Chairman of the meeting (or)' and insert the name and address of your proxy in the spaces provided. Then fill in any voting instructions in the appropriate box and sign and date the Form of Proxy.
   (3) To appoint **more than one proxy**, you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. If you wish to appoint the Chairman as one of your multiple proxies, simply write 'the Chairman of the Meeting'. All forms must be signed and should be returned together in the same envelope.
2. If no voting indication is given, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.
3. The Form of Proxy above must arrive at Capita Registrars (PXS), 34 Beckenham Road, Beckenham, Kent BR3 4TU accompanied by any power of attorney under which it is executed (if applicable) no later than 48 hours before the time set for holding the meeting or, if the meeting is adjourned, such time being no later than 48 hours before the time fixed for the adjourned meeting at which the person named in the Form of Proxy proposes to vote.
4. A corporation must execute the Form of Proxy under either its common seal or the hand of a duly authorised officer or attorney.
5. The Form of Proxy is for use in respect of the shareholder account specified above only and should not be amended or submitted in respect of a different account.
6. The 'Vote Withheld' option is to enable you to abstain on any particular resolution. Such a vote is not a vote in law and will not be counted in the votes 'For' and 'Against' a resolution.
7. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
8. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the Meeting should you subsequently decide to do so.
9. If you prefer, you may return the proxy form to the Registrar in an envelope addressed to FREEPOST RSBH-UXKS-LRBC, Capita Registrars (PXS), 34 Beckenham Road, Beckenham, Kent, BR3 4TU.
10. For Shareholders on the South African sub-register who hold their shares in certificated form or in dematerialised form registered in their own name, forms of proxy must be lodged with or posted to South African Transfer Secretaries, Linked Market Services South Africa (Pty) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2000 (PO Box 4844, Braamfontein, 2000) to be received by no later than 9.00 a.m. (South African time) on 8 February 2012.
11. For Shareholders on the South African sub-register who hold their shares in dematerialised form registered in a name other than their own-name, who wish to attend the meeting in person, will need to request their Central Securities Depository Participant ("CSDP") or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such shareholders and the CSDP or broker. Such Shareholders who are unable to attend the general meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.