



GRINDROD LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1966/009846/06)
(Share code: GND and GNDP)
(ISIN: ZAE000072328 and ZAE 000071106)
("the company")

NOTICE OF A SPECIAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that a special general meeting of shareholders of Grindrod Limited will be held in the boardroom, 1st Floor, Quadrant House, 115 Margaret Mncadi Avenue, Durban on Wednesday, 20 July 2011 at 14h00 for the following purposes:

As special business, to consider and if deemed fit, pass with or without modification the following special resolution:

"Resolved that the directors of the company be authorised, as a general approval, to authorise the company to provide "financial assistance" (as defined in section 45(1) of the Companies Act 71 of 2008 ("the Act")) to any company or corporation which is "related" or "inter-related" (as defined in section 1 of the Act) to the company, as required from time to time, subject to the requirements of:

- (1) the Act, in particular section 45 thereof;
- (2) the JSE Listings Requirements; and
- (3) any other applicable laws that may exist from time to time."

INFORMATION AND EXPLANATION OF THE SPECIAL RESOLUTION

1. Voting

The percentage of voting rights that will be required for the adoption of the special resolution is the support of at least 75% of the voting rights exercised on the special resolution.

2. Record date

The record date that has been set by the board for the purpose of determining which shareholders are entitled to receive notice of, participate in and vote at the meeting is 15 July 2011.

3. Preference shareholders

Preference shareholders are entitled to receive notice of and to be present, either in person or by proxy, at all shareholder meetings. As the proposed special resolution does not directly affect the rights attached to the preference shares or the interests of the holders thereof, in terms of Article 8A.2.9 of the Articles of Association of the company, preference shareholders are not entitled to vote together with ordinary shareholders in respect of the special resolution.

4. Proxies

A shareholder registered as such (either as the holder of shares in certificated form and whose name is reflected in the register of company shareholders, or as the holder of shares in dematerialised form and whose name is reflected in a sub-register maintained by a CSDP) is entitled to appoint one or more proxies to attend, speak and on a poll, vote in his/her stead should he/she be unable to attend the special general meeting, but wishes to be represented thereat. A proxy need not be a shareholder of the company. Proxy forms should be forwarded to reach the office of the Transfer Secretaries, Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) at least 48 hours before the commencement of the meeting. Shareholders who have dematerialised their shares in the company such that their holdings are no longer recorded in their own names should arrange with their CSDP or broker for the necessary authority to attend the special general meeting. Should they be unable, or do not wish to attend but wish to be represented at the meeting, they should provide their CSDP or broker with their voting instructions in terms of the agreements entered into between the shareholder and CSDP or broker concerned.

5. Identification

Section 63(1) of the Act requires meeting participants to provide the person presiding the meeting with satisfactory identification.

By order of the Board

CAS Robertson
Company Secretary

Durban
6 June 2011

EXPLANATION SCHEDULE

Reason and effect of the special resolution

Explanatory material as contemplated in section 65(4)(b) of the Act in respect of the proposed special resolution:

In terms of section 45(2) of the Act, read with sub-sections (3)(a)(ii), (3)(b) and (4) thereof, the board of directors of a company may not authorise the company to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the company unless:

- (1) the particular provision of financial assistance is pursuant to a special resolution of the shareholders, adopted within the previous two years, which approved such assistance, either for the specific recipient, or generally for a category of potential recipients and the specific recipient falls within that category;
- (2) immediately after providing the financial assistance, the company would satisfy the "solvency and liquidity test" (being the test set out in section 4(1) of the Act);
- (3) the terms under which the financial assistance is proposed to be given are fair and reasonable to the company; and
- (4) the board has ensured that any conditions or restrictions in respect of granting the financial assistance set out in the Memorandum of Incorporation of the company have been satisfied.

"Financial assistance" as defined in section 45(1) of the Act:

- (a) includes lending money, guaranteeing a loan or other obligation and securing any debt or obligation; but
- (b) does not include:
 - (i) lending money in the ordinary course of business by a company whose primary business is the lending of money;
 - (ii) an accountable advance to meet:
 - (aa) legal expenses in relation to a matter concerning the company; or
 - (bb) anticipated expenses to be incurred by the person on behalf of the company; or
 - (iii) an amount to defray the person's expenses for removal at the company's request.

The special resolution authorises the board to provide financial assistance to companies and corporations which are related or inter-related to the company, as required from time to time, subject to the requirements of the Act, the JSE Listings Requirements and other applicable laws.



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FORM OF PROXY

(To be used by certificated shareholders and dematerialised shareholders with own name registration)

For use at the special general meeting of shareholders of the company to be held in the Boardroom, 1st Floor, Quadrant House, 115 Margaret Mncadi Avenue, Durban at 14h00 on Wednesday, 20 July 2011.

I/We (FULL NAMES IN BLOCK LETTERS)

of (ADDRESS)

being the registered holder/s of _____ ordinary shares _____ preference shares in the capital of the company hereby appoint:

1. _____ of _____ or failing him/her,

2. _____ of _____ or failing him/her,

3. the chairman of the special general meeting,

as my/our proxy to vote for me/us and on my/our behalf at the special general meeting of the company to be held in the Boardroom, 1st Floor, Quadrant House, 115 Margaret Mncadi Avenue, Durban at 14h00 on Wednesday, 20 July 2011 and at any adjournment thereof as follows:

SPECIAL RESOLUTION	IN FAVOUR OF	AGAINST	ABSTAIN
Authorise the board of directors to authorise the company to provide financial assistance to any company or corporation which is related or inter-related to the company			

(Indicate instruction by an "X" in the space provided.)

Unless otherwise instructed, my proxy may vote as he/she thinks fit.

A shareholder entitled to attend and vote at the abovementioned meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. The proxy need not be a shareholder of the company.

Signed this _____ day of _____ 2011

Signature/s _____

REGISTERED OFFICE

Quadrant House
115 Margaret Mncadi Avenue
Durban, 4001
(PO Box 1, Durban, 4000)

TRANSFER SECRETARIES

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

NOTES

1. Only shareholders who are recorded in the register of shareholders of the company who have not dematerialised their shares or who hold dematerialised shares in their own name must complete the form of proxy or alternatively attend the meeting.

Beneficial shareholders whose shares are not registered in their own name but in the name of another, e.g. a nominee, must not complete the form of proxy or attend the meeting unless a proxy is issued to them by the registered shareholder. Beneficial shareholders who are not also registered shareholders should contact the registered shareholder to issue instructions on voting or to obtain a proxy to attend the meeting.

2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided, with or without deleting "the chairman of the special general meeting". The person whose name appears first on the form of proxy and who is present at the special general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. Any deletion, alteration or correction to this form of proxy must be initialled by the signatory/ies.
4. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company.
5. Forms of proxy must be lodged at, or posted to, the registered office of the Transfer Secretaries, Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by not later than 14h00 on Monday, 18 July 2011.
6. The completion and lodging of this form of proxy will not preclude the shareholder from attending the special general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such shareholder wish to do so.
7. The chairman of the special general meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these notes.
8. A form of proxy shall be deemed to include the rights to demand or join in demanding a poll.
9. Shareholders, who have either dematerialised their company shareholdings (such that these holdings are no longer recorded in their own names in the sub-registers maintained by Central Securities Depository Participants (CSDPs), are not company shareholders as defined. Such shareholders who wish to attend the company's special general meeting should arrange with their CSDPs or brokers for the necessary authority to attend the special general meeting. Such shareholders who are unable, or do not wish, to attend the special general meeting, but wish to be represented thereat, should provide their CSDPs or brokers with their voting instructions in sufficient time to enable the CSDPs or brokers to lodge forms of proxy or appoint a representative for the meeting.