

MASSMART HOLDINGS LIMITED

Incorporated in the Republic of South Africa
Registration number 1940/014066/06
JSE share code: MSM ISIN: ZAE000152617
("Massmart" or "the Company")



NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Massmart shareholders ("Shareholders") will be held at Massmart House, 16 Peltier Drive, Sunninghill Ext 6, Sandton, at 14h30 on Wednesday, 28 September 2011, for the purpose of considering and, if deemed fit, passing, with or without modification, the below special resolution numbers 1 and 2 and ordinary resolution number 1.

The board of directors of the Company ("Board") has determined, in accordance with section 59 of the Companies Act 71 of 2008, as amended ("Act") that the record date for Shareholders to be recorded as Shareholders in the securities register of the Company in order to: (i) be entitled to receive this notice of general meeting is Friday, 26 August 2011; and (ii) be able to attend, participate and vote at the general meeting, is Friday, 23 September 2011. The last date to trade is Friday, 16 September 2011.

1. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE

Special resolution number 1

"RESOLVED, as a special resolution, to the extent required in terms of and subject to the provisions of section 45 of the Companies Act 71 of 2008, as amended ("Act"), that the Shareholders hereby approve of the Company providing, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, any direct or indirect financial assistance as contemplated in such section of the Act to any 1 (one) or more related or inter-related companies or corporations (as defined in the Act) of the Company and/or to any 1 (one) or more members of any such related or inter-related company or corporation and/or to any 1 (one) or more persons related to any such company or corporation, on such terms and conditions as the board of directors of the Company, or any one or more persons authorised by the board of directors of the Company from time to time for such purpose, deems fit, provided that any such financial assistance shall not in the aggregate exceed an amount of R10 000 000 000 (ten billion rand) in any financial year."

In terms of the Act, at least 75% (seventy five percent) of the voting rights exercised on the resolution must be cast in favour of special resolution number 1 for it to be adopted.

Reason

The reason for this special resolution is to grant the Board the authority to authorise the Company to provide direct or indirect financial assistance as contemplated in section 45 of the Act to any one or more related or inter-related companies or corporations of the Company and/or to any one or more members of any such related or inter-related company or corporation and/or to any one or more persons related to any such company or corporation. In the circumstances and in order to, *inter alia*, ensure that the Company's subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial assistance from the Company (as opposed to only banks and other third-party financiers), it is necessary to obtain this approval of Shareholders.

The following direct and/or indirect financial assistance was provided by the Company to related and/or inter-related companies and/or corporations of the Company in respect of the financial year ended 26 June 2011:

Cross Suretyships in respect of banking facilities	R5.0	billion
Promissory Notes in respect of operating leases	R 500	million
Loans to subsidiary companies	R 600	million
Total	R6.1	billion

It is anticipated that such financial assistance will increase during the period of 2 (two) years commencing on the date of special resolution 1, mainly as a result of the Group's expansion and acquisition plans, but that the total financial assistance after such anticipated increase will not exceed R10 billion.

In the event that the Company provides financial assistance to its subsidiary companies in the form of loans, the Company's solvency and liquidity will not be impaired, as the Company will raise an asset in its books for the equivalent amount then due by that subsidiary.

Notice to Shareholders of the Company in terms of section 45(5) of the Act of a resolution adopted by the Board authorising the Company to provide direct or indirect financial assistance.

- By the time this notice of general meeting is delivered to Shareholders, the Board will have adopted a resolution ("Section 45 Board Resolution") authorising the Company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date on which special resolution number 1 is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Act to any one or more related or inter-related companies or corporations of the Company and/or to any one or more members of any such related or inter-related company or corporation and/or to any one or more persons related to any such company or corporation, provided that any such financial assistance shall not in the aggregate exceed an amount of R10 000 000 000 (ten billion rand) in any financial year.
- The Section 45 Board Resolution will be effective only if and to the extent that special resolution number 1 is adopted by the Shareholders and the provision of any such direct or indirect financial assistance by the Company, pursuant to such resolution, will always be subject to the Board being satisfied that: (i) immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Act; and (ii) the terms under which such financial assistance is to be given are fair and reasonable to the Company as referred to in section 45(3)(b)(ii) of the Act.
- In as much as the Section 45 Board Resolution contemplates that such financial assistance will, in the aggregate, exceed one-tenth of one percent of the Company's net worth at the date of adoption of such resolution, the Company hereby provides notice of the Section 45 Board Resolution to Shareholders. Such notice will also be provided to any trade union representing any employees of the Company.

2. APPROVAL OF DIRECTORS' REMUNERATION

Special resolution number 2

"RESOLVED, as a special resolution in terms of section 66(9) of the Companies Act 71 of 2008, as amended ("Act"), that the following directors' remuneration (due to the applicable directors for services rendered by them in their capacities as such), be and is hereby approved for the period commencing on 1 May 2011 and ending on the date on which the Company's next annual general meeting will be held ("2011 AGM Date"):

Chairman of the Board	R725 000
Deputy Chairman	R520 000
Directors	R215 000
Committee Chairmen	R210 000
Committee Members	R100 000,

with the members of the Audit Committee each receiving an additional R25 000 (twenty five thousand rand) due to the increased meetings and responsibilities brought about by the Act and King III on Corporate Governance for South Africa, and that the following directors' remuneration (due to the applicable directors for services rendered by them in their capacities as such), be and are hereby approved for the period commencing on the 2011 AGM Date to the date on which the Company's annual general meeting in respect of its 2012 financial year will be held:

Chairman of the Board	R775 000
Deputy Chairman	R555 000
Directors	R230 000
Committee Chairmen	R225 000
Committee Members	R107 000."

Reason

The reason for Special Resolution Number 2 is to approve, to the extent required, the directors' remuneration for the period commencing on 1 May 2011 and ending on the 2011 AGM Date (bearing in mind that such approval was previously obtained at the annual general meeting of the Company held on 24 November 2010) and the period commencing on the 2011 AGM Date to the date on which the Company's annual general meeting in respect of its 2012 financial year will be held, as the Act requires shareholder approval of directors' remuneration in advance by way of special resolution. Directors' remuneration is assessed and benchmarked every 2 (two) years against listed companies of similar scale and standing as the Company.

In terms of the Act, at least 75% (seventy five percent) of the voting rights exercised on the resolution must be cast in favour of special resolution number 2 for it to be adopted.

3. AUTHORITY TO SIGN DOCUMENTS

Ordinary resolution number 1

"RESOLVED that any of Messrs Grant Pattison, Guy Hayward or the Company Secretary of the Company, each acting alone, or any other person to whom the aforementioned persons have delegated their authority to do so, be and are hereby authorised to sign all documents and any amendments thereto, take all such steps and do all such other things as may be necessary in order to give effect to and/or implement special resolution numbers 1 and 2."

In terms of the Act, more than 50% (fifty percent) of the voting rights exercised on the resolution must be cast in favour of ordinary resolution number 1 for it to be adopted.

IDENTIFICATION, VOTING AND PROXIES

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

In terms of section 63(1) of the Act, any person attending or participating in the general meeting must present reasonably satisfactory identification and the person presiding at the general meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as a Shareholder or as proxy for a Shareholder) has been reasonably verified. Forms of identification include the presentation of valid identity documents, driver's licences or passports.

In accordance with the Company's Memorandum of Incorporation, voting shall be by ballot only.

Shareholders holding dematerialised shares, but not in their own-name, must furnish their Central Securities Depository Participant ("CSDP") or broker with their instructions for voting at the general meeting. If your CSDP or broker, as the case may be, does not obtain instructions from you, it will be obliged to act in accordance with your mandate furnished to it, or if the mandate is silent in this regard, complete the form of proxy enclosed.

Unless you advise your CSDP or broker, in terms of the agreement between you and your CSDP or broker by the cut-off time stipulated therein, that you wish to attend the general meeting or send a proxy to represent you at the general meeting, your CSDP or broker will assume that you do not wish to attend the general meeting or send a proxy.

If you wish to attend the general meeting or send a proxy, you must request your CSDP or broker to issue the necessary letter of authority to you. Shareholders holding dematerialised shares, and who are unable to attend the general meeting and wish to be represented thereat, must complete the form of proxy enclosed in accordance with the instructions therein and lodge it with or mail it to the transfer secretaries, Computershare Investor Services (Proprietary) Limited ("Computershare").

Forms of proxy (which are enclosed) must be dated and signed by the Shareholder appointing a proxy and should be forwarded to reach Computershare, by no later than 14h30 on Monday, 26 September 2011. Before a proxy exercises any rights of a Shareholder at the general meeting, such form of proxy must be so delivered.

In compliance with the provisions of section 58(8)(b)(i) of the Act, a summary of the rights of a Shareholder to be represented by proxy, as set out in section 58 of the Act, is set out immediately below:

- A Shareholder entitled to attend and vote at the general meeting may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the general meeting in the place of the Shareholder. A proxy need not be a Shareholder of the Company.
- A proxy appointment must be in writing, dated and signed by the Shareholder appointing a proxy and, subject to the rights of a Shareholder to revoke such appointment (as set out below), remains valid only until the end of the general meeting.
- A proxy may delegate the proxy's authority to act on behalf of a Shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
- The appointment of a proxy is suspended at any time and to the extent that the Shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a Shareholder.
- The appointment of a proxy is revocable by the Shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and to Computershare. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of: (i) the date stated in the revocation instrument, if any; and (ii) the date on which the revocation instrument is delivered to Computershare as required in the first sentence of this paragraph.
- If the instrument appointing the proxy or proxies has been delivered to Computershare, as long as that appointment remains in effect, any notice that is required by the Act or the Company's Memorandum of Incorporation to be delivered by the Company to the Shareholder, must be delivered by the Company to: (i) the Shareholder, or (ii) the proxy or proxies, if the Shareholder has: (a) directed the Company to do so in writing; and (b) paid any reasonable fee charged by the Company for doing so.
- Attention is also drawn to the "Notes to the form of proxy".
- The completion of a form of proxy does not preclude any Shareholder from attending the general meeting.
- Shareholders may participate (but not vote) electronically in the general meeting. Shareholders wishing to participate in the general meeting electronically should contact the assistant company secretary on info@massmart.co.za, or +27 11 517 0000, not less than 5 (five) Business Days prior to the general meeting. Access to the meeting by way of electronic participation will be at the Shareholder's expense. Only persons physically present at the meeting or represented by a valid proxy shall be entitled to cast a vote on any matter put to a vote of Shareholders.

By order of the Board



Ilan Zwarenstein
Company Secretary

26 August 2011

MASSMART HOLDINGS LIMITED

Incorporated in the Republic of South Africa
Registration number 1940/014066/06
JSE share code: MSM ISIN: ZAE000152617
("Massmart" or "the Company")



PROXY FORM

For use by certificated and dematerialised Shareholders who have "own-name" registration of shares at the general meeting of Shareholders of Massmart to be held at Massmart House, 16 Peltier Drive, Sunninghill Ext 6, Sandton, at 14h30, on Wednesday 28 September 2011.

I/We (Please PRINT full names)

of (address)

being the holders of Ordinary Shares/A Preference Shares/
B Preference Shares, hereby appoint (see note 3)

1. _____ or failing him/her,

2. _____ or failing him/her,

the Chairman of the general meeting

as my/our proxy to participate in, speak and vote for me/us on my/our behalf at the general meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the special and ordinary resolutions to be proposed and at each adjournment of the meeting and to vote for or against the special and ordinary resolutions or to abstain from voting in respect of the shares in the issued capital of the Company registered in my/our name/s, in accordance with the following instructions (see note 4).

Insert an "X" or the number of Ordinary Shares/A Preference Shares/B Preference Shares (see note 4).

	For		Against		Abstain	
	Ordinary Shares	Preference Shares	Ordinary Shares	Preference Shares	Ordinary Shares	Preference Shares
Special resolution number 1 Authority to Provide Financial Assistance						
Special resolution number 2 Approval of Directors' Remuneration						
Ordinary resolution number 1 Authority to Sign Documents						

(Indicate with an "X" or the relevant number of shares, in the applicable space, how you wish your votes to be cast). If you return this form duly signed, without any specific directions, the proxy will vote as he/she thinks fit.

Signed at _____ on _____ 2011

Signature _____

Assisted by me (where applicable) _____

Completed forms of proxy must be lodged with Computershare Investor Services (Proprietary) Limited, not less than 48 (forty-eight) hours before the time for holding the general meeting, i.e. by no later than 14h30 on Monday, 26 September 2011.

Please read the notes on the reverse side of this proxy form.

Notes to the form of proxy

1. A form of proxy is only to be completed by those Shareholders who are:
 - 1.1 holding shares in certificated form; or
 - 1.2 recorded on the sub-register of the Company in dematerialised electronic form in "own name" on the record date for attending, participating and voting at the general meeting.
2. If you have already dematerialised your shares through a Central Securities Depository Participant ("**CSDP**") or broker and wish to attend the general meeting, you must request your CSDP or broker to provide you with a letter of representation or you must instruct your CSDP or broker to vote by proxy on your behalf in terms of the agreement between yourself and your CSDP or broker.
3. A Shareholder may insert the name of a proxy or the names of alternative proxies of the Shareholder's choice in the space/s provided, with or without deleting "the Chairman of the general meeting" but any such deletion must be initialed by the Shareholder. The person whose name stands first on the form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
4. Please insert an "X" in the relevant space according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the general meeting as he/she deems fit in respect of all the Shareholder's votes exercisable at the meeting. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by the Shareholder or by his/her proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or by his/her proxy.
5. Forms of proxy must be received by the transfer secretaries, Computershare Investor Services (Proprietary) Limited ("**Computershare**"), 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107) by no later than 14h30 on Monday, 26 September 2011.
6. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the general meeting and speaking and voting in person at the general meeting to the exclusion of any proxy appointed in terms of this form of proxy.
7. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity or other legal capacity must be attached to this form of proxy unless previously recorded by Computershare or waived by the Chairman of the general meeting.
8. Any alterations or corrections made to this form of proxy must be initialed by the signatory/ies.
9. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by Computershare.
10. The Chairman of the general meeting may accept any form of proxy which is completed other than in accordance with these notes if he is satisfied as to the manner in which the Shareholder wishes to vote.
11. If any shares are jointly held, the first name appearing in the register shall, in the event of a dispute, be taken as a Shareholder.

Transfer secretaries:

Computershare Investor Services (Proprietary) Limited

70 Marshall Street
Johannesburg 2011
PO Box 61051, Marshalltown, 2107
Telephone: 011 370 5000
Call Centre: 086 110 09818