

TWELFTH ANNUAL GENERAL MEETING

Notice is hereby given that the Twelfth Annual General Meeting of members of Albaraka Bank Limited will be held on Wednesday, 18 September 2002 at the offices of Albaraka Bank, First Floor, 134 Commercial Road, Durban at 9:30 to conduct the following business:

1. ORDINARY RESOLUTION

- 1.1 To receive and adopt the Group and Company Annual Financial Statements as at 31 December 2001.
- 1.2 (a) To elect Directors in the place of the following persons, who in terms of Article 74 of the Company's Articles of Association are retiring by rotation and, being eligible, offer themselves for re-election:
M Youssef O A Suleiman
Y D Asmall C R Moosa
- (b) To elect a Director in the place of the following person, who has been appointed as additional Director during the year by the Board of Directors and who is retiring in terms of Article 81 of the Company's Articles of Association and being eligible, offers himself for re-election:
M G McLean
- 1.3 (a) To approve the Auditors' remuneration for the past year.
- (b) To authorise the Board of Directors to determine the Auditors' remuneration for the year ending 31 December 2002.
- (c) To authorise the Board of Directors to appoint Auditors for the year ending 31 December 2002.
- 1.4 To confirm the dividend of 30 cents a share declared by the Board of Directors on 7 June 2002, and payable on or before 30 September 2002 to shareholders registered in the Books of the Company at close of business on 30 June 2002.

1.5 To renew, in terms of Section 221 of the Companies Act, 1973, the Directors' authority to allot the unissued shares, if any, of the Company at their discretion until the next Annual General Meeting.

1.6 In terms of Article 49 of the Company's Articles of Association to approve the Directors' remuneration.

2. SPECIAL RESOLUTIONS

To consider and pass, with or without amendments, the following special resolutions. It is proposed that, subject to the approval of the Registrar of Banks, the following special resolutions be considered and passed as Special Resolutions to amend the Memorandum and Articles of Association of the Company:

2.1 Special Resolution

Clause 4(a) be amended to increase the Company's authorised share capital from forty million rand (R40 000 000) to fifty million rand (R50 000 000) by creating one million (1 000 000) new par value shares of ten rand (R10) each, which will in all respects rank *pari passu* with the existing four million (4 000 000) par value ordinary shares of ten rand (R10) each.

REASON

The reason for the proposed increase in the authorised share capital of the Company is to create the capacity to raise additional share capital by issuing additional shares and thereby contribute to the strengthening of the Company's capital structure.

EFFECT

The effect of the passing of the proposed special resolution is that the Company will have the power and the capacity, in terms of its Memorandum and Articles of Association, to issue additional shares and to consequently raise additional share capital to the

extent of at least an additional ten million rand (R10 000 000).

2.2 Special Resolution

The deletion of Article 6 of the Company's Articles of Association which reads as follows: "No member who is a South African Citizen shall either directly or indirectly hold more than 10% of the shares of the Company issued, subject to the conditions of section 28 E (8) of the Banks Act, 1965 (Act No. 23 of 1965)."

REASON

The reason for the proposed amendment is to allow a member who is a South African Citizen to hold more than the existing 10% of the shares of the Company.

EFFECT

The effect of the passing of the proposed Special Resolution is that the Company will have the power and capacity, in terms of its Memorandum and Articles of Association, to issue shares in the company in excess of 10% and thereby facilitate the raising of additional share capital.

3. OTHER BUSINESS

To consider such other business as may be transacted at the Annual General Meeting.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and speak and, on a poll, vote in his/her stead. A proxy need not be a member of the Company. Completed proxy forms must reach the registered office of the Company not later than 48 hours before the time fixed for the meeting.

A separate proxy form is included in the Annual Report.

By order of the Board
Adv M A Vahed
Company Secretary
Durban, 7 June 2002

