BYLAWS OF

AU MIN AFRICA

A South African Public Company, For Profit-Publicly Traded both U.S.A and South Africa and A Humanitarian Corporation

Country of Incorporation: **Republic of South Africa**

CORPORATE HEADQUARTER
Fairview Office Park, Regus House, 3rd Floor
Ring Road, Greenacres
Port Elizabeth, South Africa 6045

P.O. Box 64015, Greenacres, Port Elizabeth 6057

[t] +27 82709 4988 * [toll free] 1(888) 785-1113 *
[f] 1(888) 924-0718
Email: executive@auminerals.biz
CEOLitha@auminerals.biz
CFOGalvan@auminerals.biz
CCAOBongiwe@auminerals.biz

Fiscal Year End: February 28

AS OF MAY 31, 2015

BYLAWS
TABLE OF CONTENTS

Part One
Stock, Stock Certificates and Shareholders

1.1 Stock Certificates
1.2 Stock Records
1.3 Transfer
1.4 Replacement of Mutilated Certificates
1.5 Replacement of Lost Certificates
1.6 Record Date
1.7 Stock Rules and Regulations

Part Two
Shareholders Meetings

2.1 Regular and Special Meetings; Place of Meetings
2.2 Annual Meeting
2.3 Special Meetings
2.4 Quorum
2.5 Notice
2.6 Proxies
2.7 Business to be Transacted
2.8 Election of Directors
2.9 Voting
2.10 Cumulative Voting
2.11 Removal of director
2.12 Informal Action by Shareholders
2.13 Waiver
2.14 Inspection of Records

Part Three
Board of Directors

3.1 Number and Eligibility
3.2 Annual Meeting and Election of Vice-Chairman of the Board
3.3 Election of Officers
3.4 Special Meetings

3.5 Quorum and Waiver of Notice
3.6 Voting
3.7 Presumption of Assent
3.8 Filling Vacancies
3.9 Tenure
3.10 Compensation
3.11 Powers
3.12 Dividends
3.13 Action by Resolution
3.14 Arbitration of Deadlocks within Board of Directors
3.15 Executive Committee
3.15.a Authority
3.15.b Tenure and Qualifications
3.15.c Meetings
3.15.d Quorum
3.15.e Action Without a Meeting
3.15.f Vacancies
3.15.g Resignations and Removals
3.15.h Procedure
3.16 Special Committees

Part Four
Officers, Powers and Duties

4.1 Officers
4.2 Tenure
4.3 Bonds and Other Requirements
4.4 Removal of Officers
4.5 President
4.6 Vice President
4.7 Secretary
4.8 Treasurer
4.9 Other Officers
4.10 Salaries
4.11 Vacancies

Part Five
Corporate Seal

5.1 Description
5.2 Use
5.3 Authorization

Part Six
Fiscal and Legal

6.1 General
6.2 Contracts
6.3 Checks, Drafts, Etc.
6.4 Deposits
6.5 Gifts
6.6 Fiscal Year

Part Seven
Amendments

7.1 Vote Required
7.2 Meetings for Adoption

Part Eight
Pre-Emptive and Preferential Rights

8.1 Preemptive and Preferential Rights
8.1.a Sale or Transfer
8.1.b Written Consent
8.2 New Issues of Stock
8.3 Endorsement of Stock Certificates

Part Nine
Miscellaneous

9.1 Election of Vice-Chairman Pro Tem
9.2 Parliamentary Law
9.3 Power to Vote Shares Held by the Corporation
9.4 Corporate Minute Books and Stock Records
9.5 Loans to Corporation
9.6 Dealings by Directors
9.7 Seniority of Articles of Incorporation
9.8 Settlement of Disputes
9.9 Interpretation
9.10 Non Liability of Shareholders, Officers and Directors
9.11 Indemnification of Officers, Employees, and Agents
9.12 Authority to Sell Corporate Assets
9.13 Employment Restrictions

Part Ten
Emergency By

10.1 When Operative
10.2 Event of Emergency
10.3 Non Liability
10.4 Amendment or Repeal

Part Eleven
Buy and Sell

11.1 Stock Purchase Arrangement in Event of Death of Shareholder
11.2 Optional Method of Fixing Purchase Price
11.3 Failure to Fix Price at Annual Meeting
11.4 Method of Determining Net Earnings or Losses
11.5 Fixes Full Value
11.6 Reduction in Discount
11.7 Compliance with Philippines & Canada Law
11.8 Formal Buy and Sell Agreement

Part Twelve
Protection for stockholders and Corporation

12.1 Prohibition against Shareholder Transfers that Result in Termination of "S" Status
12.2 Restriction on Disposition of Stock
12.3 Prohibition against Corporate Activity that Results in Termination of "S" Status
12.4 Prohibition against Second Class of Stock
12.5 Tax Matters Shareholder
12.6 Indemnification
12.7 Agreement Concerning Tax Matters
12.8 Estate Plans of Shareholders
12.9 Escrow of Stock
12.10 Revocation of Subchapter "S" Election
12.11 Distributions to Shareholders for Payment of Taxes

PART ONE – STOCK, STOCK CERTIFICATES AND SHAREHOLDERS

1.1 **Stock Certificates.** The certificates for shares of the capital stock of the corporation shall be in a form not inconsistent with the Articles of Incorporation, and shall be prepared or be approved by the board of directors. The certificates shall be signed by the president or vice president and the secretary or assistant secretary.

1.2 **Stock Records.** A stock register shall be kept by the appointed Escrow Agent and Transfer Agent- *GreenGold Ray Transfer Division TA No. 36709* , in which shall be accurately recorded the issuance of each certificate of stock, the date of issuance thereof, the name and post office address of the person, firm or corporation to whom issued, a record of the transfer in whole or in part of the shares represented thereby, with a similar record of any certificate or certificates representing any shares so transferred.

1.3 **Transfer.** Shares of the capital stock of the corporation shall be transferable upon the books of the corporation by the holders thereof presenting certificates evidencing ownership to the secretary or the duly authorized transfer agent or agents of the company, properly endorsed, and the corporation shall not be bound to recognize any rights of any transferee until such transfer is so made on the books of the corporation.

1.4 **Replacement of Mutilated Certificates.** A new certificate may be issued in lieu of any certificate previously issued that may be defaced or mutilated, upon surrender for cancellation of a part of the old certificate, sufficient, in the opinion of the secretary or the duly authorized transfer agent, to fully identify the defaced or mutilated certificate. Where sufficient identification is lacking, evidence satisfactory to the board may be required.

1.5 **Replacement of Lost Certificates.** A new certificate may be issued in lieu of any certificate lost or destroyed upon the owner or claimant thereof establishing its loss or destruction by evidence satisfactory to the board and giving to the corporation indemnity satisfactory to the board.

1.6 **Record Date.** For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other purpose, the board of directors may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, 60 days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least 10 days immediately preceding such meeting. If the stock transfer books are not closed for any reason, the date on which notice of the meeting is mailed or the date on which the resolution of the board of directors declaring such dividend is adopted, as the case may be, shall be the record date for determination of shareholders.

1.7 **Stock Rules and Regulations.** The board of directors may make such rules and regulations as it may deem expedient not inconsistent with the Bylaws or with the Articles of Incorporation concerning the issue, transfer, and registration of certificates for shares of the corporation.

PART TWO – SHAREHOLDERS MEETINGS

2.1 **Regular and Special Meetings; Place of Meetings.** The annual meetings shall be the only regular meetings of the shareholders. Special meetings of the shareholders may be held when called as hereinafter provided. Any shareholders meetings may be held within or without South Africa shall always be held at the time and place fixed in the call for such meeting or in any resolution adjourning the same. If no other place is designated in the resolution adjourning such meeting, the adjourned meeting shall be held at the place designated in the call for the meeting.

2.2 **Annual Meeting.** The annual meeting of the shareholders for the election of directors shall be held on a date in the third week of the month preceding the end of the corporation's fiscal year. If, for any reason, such meeting shall not be held or a board of directors shall not be elected at such meeting or at an adjournment thereof, a board of directors may be elected at a special meeting to be called by the board of directors then in office or upon their order.

2.3 **Special Meetings.** Special meetings of the shareholders, for any purpose or purposes other than the election of directors as hereinabove provided, may be held at the call of the chairman of the board, or the president of the corporation, or the board of directors, and shall be called by the president at the request of the holders of one of all the outstanding shares of the corporation entitled to vote at the meeting.

2.4 **Quorum.** Except as otherwise provided by law, a majority of the outstanding shares of stock entitled to vote at any meeting shall constitute a quorum of such meeting.

2.5 **Notice.** Notice of all shareholders meetings shall be in writing, signed by the chairman, the president, the secretary, the treasurer, or an assistant secretary or assistant treasurer, or such other officer or person as may be designated by the board of directors. A copy of such notice shall be sent by mail not less than ten calendar days nor more than 50 calendar days prior to the date of the meeting, unless a longer period is required by law, to each shareholder of record entitled to notice of such meeting, at the registered post office address of such shareholder as it appears upon the records of the corporation. Such notice shall state the time and place of the meeting and the purpose for which it is called, so far as is known at the date of the notice, and if the call be for an annual meeting, the notice shall so state. Such notice shall be sufficient for such meeting and any adjournment thereof. If any shareholder shall transfer any of his stock after notice of such meeting, it shall not be necessary to notify the transferee. Any shareholder may waive notice of any meeting before, at, or after the meeting.

2.6 **Proxies.** Any shareholder of the corporation entitled to vote at any meeting may be represented and vote at such meeting by a proxy appointed by an instrument in writing signed by him or by his duly authorized agent or attorney-in In the event such instrument shall designate two or more persons to act as proxy, the majority of such persons present at such meeting, or if only one should be present then that one, shall have and may exercise all the powers conferred by such instrument upon all the persons so designated, unless such instrument shall otherwise provide. All proxies will be received and taken in charge and all questions touching the

qualifications of voters and the validity of proxies will be decided and all ballots shall be received and counted by two referees, who shall be appointed by the presiding officer of the meeting by and with the consent of the majority of the shares represented.

2.7 **Business to be Transacted.** Any question may be considered and acted upon at an annual meeting, but no question not stated in the call for a special meeting shall be acted upon thereat except by the consent of the holders of a majority of the shares as reflected in the records of the corporation.

2.8 **Election of Directors.** The directors shall be elected by a majority of the shares at the end of the appointed director's tenure or every five (5) years at the 5th annual shareholders election meeting, subject to the cumulative voting provisions set forth in paragraph 2.10 below. Prior to each annual election of directors, the shareholders shall pass a resolution designating the number that shall constitute the board of directors for the ensuing year, and such number shall not be increased or diminished during any year except by the vote of the holders of a majority of the outstanding stock of the corporation at a meeting legally held.

2.9 **Voting.** Except as provided in paragraph 2.10 below, the holders of common stock of the corporation shall be entitled to one vote for each share of common stock held, at any shareholders meeting. For purposes of this provision, the holder is to be determined by the name appearing on the corporation's books; except that shares standing in the name of a deceased person may be voted by his legal representative, and a receiver may vote shares not standing in his name if he has the authority to do so by an appropriate order of the court which appointed him.

2.10 **Cumulative Voting.** At all elections for directors, each shareholder shall be entitled to as many votes as shall equal the number of his shares of stock multiplied by the number of directors to be elected, and he may cast all of such votes for a single director, or may distribute them among the number to be voted for, or any two or more of them, as he sees fit.

2.11 **Removal of Director.** The shareholders of the corporation may, at any meeting called for that purpose, remove any director from office, with or without cause, by a vote of a majority of the outstanding shares of the common class of stock which elected the director or directors to be removed; provided, however, that no director shall be removed in case the votes of a sufficient number of shares are cast against his removal, which, if cumulatively voted at an election of the entire board of directors, would be sufficient to elect him.

2.12 **Informal Action by Shareholders.** Any action which may be taken by the shareholders at a meeting may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all the shareholders entitled to vote with respect to the subject matter of the action.

2.13 **Waiver.** When the holders of all the shares issued and outstanding and entitled to vote shall be present or expressly waive their presence at a meeting, and shall sign a written consent thereto on the record thereof, all the acts of such meeting shall be binding, regardless of the manner in which the meeting is called.

2.14 **Inspection of Records.** The books of account and stock records of the corporation shall be available for inspection at reasonable times by any shareholder.

PART THREE – BOARD OF DIRECTORS

3.1 **Number and Eligibility.** The board of directors shall consist of not less than three (3) nor more than 25 persons, all of whom shall be of lawful age and all of whom may be or may not be shareholders of the corporation.

3.2 **Annual Meeting and Election of the Board of Directors.** Immediately after the adjournment of the annual shareholders meeting, the board of directors elected thereat shall convene in annual meeting and shall elect a chairman from among its member. The Original four (4) Founding Directors shall hold office perpetually; while any newly appointed directors thereafter shall hold office for a period of five (5) years or until his successor has been duly elected and qualified. It shall be the duty of the chairman to preside at all meetings of the shareholders and board of directors, and to insure compliance with the rules and regulations as herein set forth, and to perform such duties as may be delegated to him and prescribed by the board of directors.

3.3 **Election of Officers.** At the annual meeting of the board of directors, the board shall elect the officers of the corporation as follows: a president, a vice president, a secretary, a treasurer, and such other officers with such titles and with such powers and duties as may be deemed necessary by the board of directors. The officers need not be shareholders of the corporation.

3.4 **Special Meetings.** Special meetings of the board of directors may be held from time to time upon call issued by the chairman, the CEO, the president, a majority of the directors, or the holders of a majority of the outstanding stock of the corporation. Such meetings may be held either within or without the Philippines and South Africa, and may be held by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meetings.

Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Notice of special meetings of the board shall be signed by the person or persons calling the same as aforesaid, or by someone designated and so authorized and instructed by the person or persons calling the same, and shall be sent by mail to each director at his post office address of record with the corporation not less than five calendar days and not more than 20 calendar days prior to the date of the meeting. Such notice shall state the time and place of the meeting and the purposes for which it is called.

3.5 **Quorum and Waiver of Notice.** A majority of the members of the board at the time holding office shall constitute a quorum for the transaction of business. No special meeting of the board shall be valid unless notice of the meeting has been mailed to each member of the board as provided in paragraph 3.4 above, or the giving of such notice shall have been waived in writing.

3.6 **Voting.** Each director present shall be entitled to one vote at each director's meeting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

3.7 **Presumption of Assent.** A director of the corporation who is present at a meeting of the board of directors or of any committee, at which action is taken on any corporate matter, will be presumed to have assented to the action taken unless his dissent is entered in the minutes of the meeting, or unless he filed his written dissent of such action with the person acting as secretary of the meeting before the adjournment of the meeting, or forwards his dissent by registered mail to the secretary of the corporation immediately after the adjournment of the meeting. The right to dissent will not be available to a director who voted in favor of the action.

3.8 **Filling Vacancies.** Any vacancy in the board of directors or in the officers of the corporation caused by the death, resignation, removal or other disqualification of a director or an officer may be filled by a majority vote of the remaining directors by the election of some other person who shall hold such office of director or officer by like tenure for the remainder of the term. However, prior to such action by the board, the shareholders shall have the right, at any special meeting called for that purpose, to fill any vacancy occurring on the board.

3.9 **Tenure.** The Originally Founding Directors shall hold office perpetually, while the newly appointed directors thereafter shall hold office from the time of their election until the next fifth (5^{th}) annual election of directors, as provided by these or until their successors are duly elected and qualified.

3.10 **Compensation.** By resolution of the board, the directors may be paid their expenses, if any, of attending board meetings or any committee meetings. Directors may be paid a fixed sum for each meeting they attend, or may be paid a stated salary as a director or committee member. These payments will not preclude any director from serving the company in any other capacity and receiving compensation for that service.

3.11 **Powers.** The business of this corporation shall be conducted by the board of directors, and the board shall have the right to fix the compensation of all officers and directors for services rendered and, except as prescribed in these Bylaws to the contrary, prescribe their duties and powers.

3.12 **Dividends.** The board of directors may declare dividends on the stock of the corporation as provided by the laws of the South Africa.

3.13 **Action by Resolution.** The board of directors shall, except as otherwise herein provided by law, have power to act in the following manner: A resolution in writing, signed by

all the members of the board of directors, shall be deemed to be action by such board to the effect therein expressed, with the same force and effect as if the same had been duly passed by the same vote at a duly convened meeting, and it shall be the duty of the secretary of the corporation to record such resolution in the minute book of the corporation under its proper date.

3.14 **Arbitration of Deadlocks Within Board of Directors.** If the board of directors of this corporation ever is composed of an even number of directors and these directors are deadlocked as to a major issue affecting the corporation, which deadlock prevents a necessary decision of the corporation, then, in that event, the directors shall agree on an arbiter, who will arbitrate the issue; or, if they cannot agree on a disinterested, objective, qualified arbiter, the then existing attorney and accountant for the corporation shall select a disinterested arbiter, and the corporate attorney, who is familiar with the legal problems, and the corporate accountant, who is familiar with the financial problems, and the disinterested third person, whom these two professionals believe is objective and qualified to decide the issue involved, shall arbitrate the issue at a meeting of the board of directors held for that purpose, and the directors agree to be bound by their decision with regard to the deadlock.

Prior to the decision by the arbitrator or board of arbitrators, all directors shall have the opportunity to present facts and arguments with regard to the issue before a decision is rendered by the arbitrators. This provision recognizes that in all human endeavors, there will be times when honest and reasonable men cannot agree. It further recognizes that the directors and other persons who have chartered and formed this company are interested in continuity and interested in having the corporate purposes placed above what may be honest difference of opinion. Therefore, this Bylaw has been enacted to allow the corporation to move past impasses caused by such deadlocks.

3.15 **Executive & Audit Committees.** The board of directors, by resolution adopted by a majority of the full board, may designate two or more of its members to constitute an Executive and an Audit Committee. The Executive Committee shall consist of the CEO, COO, CCAO, CFO, Secretary, Treasurer, Comptroller. The Audit Committee shall consist of the Secretary, CFO and an Independent Auditor, a Certified Public Accountant. The designation of such committees and the obligation thereto of authority shall not operate to relieve the board of directors, or any members thereof, of any responsibility imposed by law.

3.15.a **Authority.** The executive committee, when the board of directors is not in session, shall have and may exercise all the authority of the board of directors except to the extent, if any, that such authority shall be limited by the resolution appointing the executive committee and except also that the executive committee shall not have the authority of the board of directors in reference to amending the Articles of Incorporation, adopting a plan of merger or consolidation, recommending to the shareholders the sale, lease or other disposition of all or substantially all the property and assets of the corporation otherwise than in the usual and regular course of its business, recommending to the shareholders a voluntary dissolution of the corporation or a revocation thereof, or amending the Bylaws of the corporation.

3.15.b **Tenure and Qualifications.** Each member of the executive committee shall hold office until the next regular 5th annual meeting of the board of directors following his

designation and until his successor is designated as a member of the executive committee and is elected and qualified.

3.15.c **Meetings.** Regular meetings of the executive committee may be held without notice at such times and places as the executive committee may fix from time to time by resolution. Special meetings of the executive committee may be called by any member thereof upon not less than one day's notice stating the place, date and hour of the meeting, which notice may be written or oral, and if mailed, shall be deemed to be delivered when deposited in South Africa mail addressed to the member of the executive committee at his business address. Any member of the executive committee may waive notice of any meeting and no notice of any meeting need be given to any member thereof who attends in person. The notice of a meeting of the executive committee need not state the business proposed to be transacted at the meeting.

3.15.d **Quorum.** A majority of the members of the executive committee shall constitute a quorum for the transaction of business at any meeting thereof; and action of the executive committee must be authorized by the affirmative vote of a majority of the members present at which a quorum is present.

3.15.e **Action Without a Meeting.** Any action that may be taken by the executive committee at a meeting may be taken without a meeting if consent in writing, setting forth the action so to be taken, shall be signed before such action by all the members of the executive committee.

3.15.f **Vacancies.** Any vacancy in the executive committee may be filled by a resolution adopted by a majority of the full board of directors.

3.15.g **Resignations and Removals.** Any member of the executive committee may be removed at any time with or without cause by resolution adopted by a majority of the full board of directors. Any member of the executive committee may resign from the executive committee at any time by giving written notice to the president or secretary of the corporation, and unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

3.15.h **Procedure.** The executive committee shall elect a presiding officer from its members and may fix its own rules of procedure, which shall not be inconsistent with these Bylaws. It shall keep regular minutes of its proceedings and report the same to the board of directors for its information at the meeting thereof held next after the proceedings shall have been taken.

3.16 **Special Committees.** The board of directors may also, from time to time, appoint any other special committees deemed by it expedient, and refer to such special committees any special matters with instructions and/or powers to act. All such special committees shall keep regular minutes of the transaction of their meetings and make such minutes available to the board of directors at the next meeting thereof following the proceedings of the special committee.

PART FOUR – OFFICERS, POWERS AND DUTIES

4.1 **Officers.** The officers of this corporation shall consist of a president, a vice president, a secretary, a treasurer, and such other officers with such titles, powers, and duties as may be prescribed by the board of directors.

4.2 **Tenure.** All officers shall hold office from the time of their election until the next fifth (5^{th}) annual election of officers or until their respective successors are elected and qualified, provided, however, any officer may be removed from office by a majority vote of the directors at any legally held meeting of the board.

4.3 **Bonds and Other Requirements.** The board of directors may require any officer to give bond to the corporation (with sufficient surety and conditioned for the faithful performance of the duties of his office) and to comply with such other conditions as may from time to time be required of him by the board.

4.4 **Removal of Officers.** If the majority of the board concurs, the board of directors may at any time, with or without cause, remove any officer or agent of the corporation and declare his office or offices vacant or, in the case of the absence or disability of any officer or for any other reason considered sufficient, the board may temporarily delegate his powers and duties to any other officer or to any director.

4.5 **CEO- Chief Executive Officer.** In the absence of the chairman the CEO shall preside at all meetings of the shareholders and board of directors. The president, along with other authorized officers, shall sign for and on behalf of the corporation, or in its name, all certificates of stock, deeds, mortgages, contracts and other instruments in writing, except that contracts may be signed with like effect by any other officer or employee of the corporation specified in these Bylaws or designated by the board of directors. While actively engaged in conducting the business of the corporation, he shall be charged with all the duties and have all the authority customarily performed and exercised by the chief executive of a corporation organized under the laws of South Africa, and shall perform such other duties as may be prescribed by the board.

4.6 **President.** In the absence of the CEO, the president shall preside at all meetings of the shareholders and board of directors. The president, along with other authorized officers, shall sign for and on behalf of the corporation, or in its name, all certificates of stock, deeds, mortgages, contracts and other instruments in writing, except that contracts may be signed with like effect by any other officer or employee of the corporation specified in these Bylaws or designated by the board of directors. While actively engaged in conducting the business of the corporation, he shall be charged with all the duties and have all the authority customarily performed and exercised by the chief executive of a corporation organized under the laws of South Africa, and shall perform such other duties as may be prescribed by the board.

4.7 **Vice President.** The vice president shall have and may exercise such powers and shall perform such duties as may be delegated to him by the board of directors or the president of the corporation. The vice president shall, in the event of the death, absence, or other disability of the president, perform all the duties and exercise all the authority of the president.

4.8 **Secretary.** It shall be the duty of the secretary to record and keep the minutes of all meetings of the shareholders, the board of directors, and the executive committee of the board of directors. At the discretion of the board, he shall give bond made by a duly authorized surety company in such sum as may be required of him by the board, conditioned for the proper accounting of all moneys and property coming into his hands by virtue of this office. The premium on such bond shall be paid by the corporation. He shall fill in and countersign all certificates of stock and keep the stock records of the corporation so as to show the aggregate number of shares outstanding and the date, the number of shares, the name of the holders, and all other necessary information relating to each outstanding stock certificate. He shall keep the seal of the corporation affix and attest the same upon any instrument executed by the corporation requiring a seal, except as otherwise ordered by the board of directors. At the expiration of his term, from whatever cause, he shall surrender all books, moneys, papers, and property of the corporation to his successor.

4.9 **Treasurer.** The treasurer shall be the custodian of all moneys belonging to the corporation and shall hold all funds of the corporation subject to the order of the board of directors or persons thereunto authorized by the board of directors. He shall deposit the funds of the corporation with such bank or banks as the board of directors may approve and designate. At each annual meeting of the shareholders, and at each annual meeting of the directors, and whenever called upon at any other directors' meeting, he shall make a complete and correct report of his accounts and disclose the true financial condition of the corporation. He shall submit his books and accounts for audit when so requested by the board of directors. At the discretion of the board, he shall give bond, made by a duly authorized surety company, in such sum as may be required of him by the board, conditioned for the property accounting of all moneys and property coming into his hands by virtue of his office. The premium on such bond shall be paid by the corporation. At the expiration of his term of office, from whatever cause, he shall deliver up all books, papers, and moneys of the corporation to his successor.

4.10 **Other Officers.** If an assistant secretary be elected by the board of directors, he shall have and may exercise the same powers and perform the same duties as the secretary; and if an assistant treasurer be elected by the board, he shall have and may exercise the same powers and perform the same duties as the treasurer. Such assistant secretary, assistant treasurer, and any and all other officers elected by the board, shall have and may exercise such powers and perform such duties as may be assigned to them by the board.

4.11 **Salaries.** Officers' salaries may from time to time be fixed by the board of directors or (except as to his own) be left to the discretion of the president. No officer will be

prevented from receiving a salary by reason of the fact that he is also a director of the corporation.

4.12 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the remaining portion of the term.

PART FIVE – CORPORATE SEAL

5.1 **Description.** The corporation shall have a corporate seal in the form of two circular conforming metal discs bearing the imprint and inscription of the name of the corporation with, in the center, the words Corporate Seal, South Africa and the year of incorporation.

5.2 **Use.** The corporate seal shall be impressed upon all instruments executed by the corporation upon which a seal is required by law.

5.3 **Authorization.** In the absence of the secretary or assistant secretary, any officer authorized by the board of directors so to do may affix the seal of the corporation to any instrument requiring a seal.

PART SIX – FISCAL AND LEGAL

6.1 **General.** All moneys of every kind belonging to the corporation shall be deposited to its credit in a bank or banks designated by the board of directors, and no moneys shall be withdrawn wherefrom unless the checks or other orders evidencing such withdrawals are signed by such officers or employees of the corporation as may be designated by resolution of the board of directors duly adopted.

6.2 **Contracts.** The board of directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

6.3 **Checks, Drafts, Etc.** All checks, drafts, orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent, or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

6.4 **Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

6.5 **Gifts.** The board of directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

6.6 **Fiscal Year.** The fiscal year of this corporation shall be that set forth on the caption page of these Bylaws.

PART SEVEN – AMENDMENTS

7.1 **Vote Required.** These bylaws may be enlarged, amended, or repealed by a majority vote of the outstanding stock of the corporation at any regular meeting of the shareholders or at any special meeting of the shareholders called for that purpose, or by a two vote of the board of directors at any meeting of the board of directors called for that purpose.

7.2 **Meetings for Adoption.** Such amendment, enlargement, or repeal may be adopted at any annual meeting of the shareholders without previous notice, but if contemplated at a special shareholders meeting, notice thereof shall be given in the call for the meeting.

7.3 **Plan and Articles of Merger**. Shall be unanimously approved by both corporations, the motion duly made, seconded and unanimously carried, or have a written consent and approved by at least 2/3 votes of the total outstanding common shares held by the shareholders entitled to vote. The Corporate Action shall be agreed upon, executed, and advised when appropriate action authorizing the execution of the Documents is performed thereof by the Corporation. The Corporate Action was adopted on June 20, 2014 and issued on July 8, 2014 in accordance with the provisions of the United States Tennessee Business Corporation Act TCA Title 48, Chapter 21 providing for the merger and combination of GreenGold Ray Energies, Inc., Tennessee, U.S.A. public traded corporation and of the private corporation of Au Min Africa duly organized and registered in accordance to Section 13 of the Companies Act 2008 and Regulations 14 of the Companies Regulations 2011. However, the Company applied for the Registration of the PUBLIC Company name with the CIPC – The Companies and Intellectual Property Commission of the Republic of South Africa under the name of **AU MIN AFRICA PTY LTD** (Commonly known as AU MIN AFRICA) being the Surviving Corporation of the merger of the publicly traded U.S.A. and South African Corporation. The Merger was made effective August 27, 2014 as set by FINRA and became DTC Eligible on Dec. 12, 2014.

The non-surviving Corporation GreenGold Ray Energies Tennessee, U.S.A. Corporation had approved, affirmed and authorized in all respects and that an "*Acknowledgment and Certificate of Merger*" had been authorized, delivered and executed by the Corporation; and that the "*Plan of Merger"* and the "*Article of Merger"* and "*Amendment to the Articles of Merger*" were submitted to the stockholders of the Corporation entitled to vote thereon for approval and in the event that the holders of at least a majority of the stock of the Corporation, vote in favor of the Merger that the Merger shall be deemed approved.

7.4 **AU MIN AFRICA as a Public Entity:** On August 24, 2014 the Board of Directors passed, agreed, resolved, executed and was consented and approved by at least 75% or 2/3 votes of the total outstanding common shares held by the shareholders entitled to vote on the appropriate Corporate Action authorizing the execution of the Documents as performed thereof by the Corporation and advised that a new Public Corporation entity shall Registered with the CIPC under the name of AU MIN AFRICA LTD.

7.5 **Allegiance of the Founding Board of Directors:** That the Board of Directors and Officers holding the office and positions shall be subjected to further exemplary job performances, character evaluations, amicable and harmonious working relations with other directors, officers, financiers, shareholders, employees and must practice honesty, transparency, loyalty and sincerity to the Corporation's Mission and Vision, in pursuant to and in accordance to the Corporation's Articles of Memorandum of Incorporation and Bylaws. Further that the Directors and officers shall not be and are not personally liable for any debts, judgments, suits or any other negative circumstances that may occur, if any; and shall sworn that the "*Special and Emergency Board of Resolutions*" and the "*Articles of the Memorandum of Incorporation*" are true, accurate and are complete translations of the Articles of the Memorandum of Incorporation. Further, that any consolidated amendments and revisions are true, accurate and are complete representation of the company's Articles of the Memorandum of Incorporation, as altered and amended up to the date of this statement; The board of directors shall, except as otherwise herein provided Bylaws, have power to act on the following manner: A resolution in writing, signed by all the members of the board of directors, shall be deemed to be action by such board to the effect therein expressed, with the same force and effect as if the same had been duly passed by the same vote at a duly convened meeting, and it shall be the duty of the secretary of the corporation to record such resolution in the minute book of the corporation under its proper date. **Authority.** The Executive Committee and an Audit Committee duly organized, when the board of directors is not in session, shall have and may exercise all the authority of the board of directors except to the extent, if any, that such authority shall be limited by the resolution appointing the executive committee and except also that the executive committee shall not have the authority of the board of directors in reference to amending the Articles of Incorporation, adopting a plan of merger or consolidation, recommending to the shareholders the sale, lease or other disposition of all or substantially all the property and assets of the corporation otherwise than in the usual and regular course of its business, recommending to the shareholders a voluntary dissolution of the corporation or a revocation thereof, or amending the Bylaws of the corporation.

PART EIGHT – PRE-EMPTIVE AND PREFERENTIAL RIGHTS

CERTIFICATE OF DESIGNATIONS, PREFERENCES, RIGHTS AND LIMITATIONS OF SERIES "C" SUPER-VOTING PREFERRED AND COMMON ORDINARY STOCKS

8.1 **Pre-Emptive and Preferential Rights.** Each shareholder or subscriber shall be entitled to full pre-emptive or preferential rights, as such rights have heretofore been defined at common law, to purchase and/or subscribe for his or her proportionate part of any shares which may be issued at any time by this corporation.

8.1.a **Sale or Transfer.** Before there can be a valid sale or transfer of any of the shares of this corporation by the holders thereof, the holder of the shares to be sold or transferred shall first give notice in writing to the secretary of this corporation of his intention to sell or transfer such shares. Such notice shall specify the number of shares to be sold or transferred, the

price per share, and the terms upon which such holder intends to make such sale or transfer. The secretary shall, within five days thereafter, mail or deliver a copy of such notice to each of the other shareholders of record of this corporation. Such notice may be delivered to such shareholder personally or may be mailed to the last known addresses of such shareholders, as the same may appear on the books of this corporation. Within 40 days after mailing or delivering these notices to such shareholders, any such shareholder or shareholders desiring to acquire any part or all of the shares referred to in that notice shall deliver by mail or otherwise to the secretary of this corporation a written offer or offers to purchase a specified number or numbers of such shares at the price and upon the terms stated in that notice.

- If the total number of shares specified in such offers exceeds the number of shares referred to in the notice, each offering shareholder shall be entitled to purchase such proportion of the shares referred to in the notice as the number of shares of this corporation which he holds bears to the total number of shares held by all such shareholders desiring to purchase the shares referred to in the notice to the secretary.

- If all the shares referred to in the notice to the secretary are not disposed of under such apportionment, each shareholder desiring to purchase shares in a number in excess of his proportionate share, as provided above, shall be entitled to purchase such proportion of those shares which remain thus indisposed of, as the total number of shares which he holds bears to the total number of shares held by all the shareholders desiring to purchase shares in excess of those to which they are entitled under such apportionment.

- If none or only part of the shares referred to in the notice to the secretary are purchased, as aforesaid, in accordance with offers made within the 40 day period, the shareholders desiring to sell or transfer may dispose of all shares of stock referred to in that notice not so purchased by the other shareholders, to any person or persons he may so desire, provided, however, that he shall not sell or transfer such shares at a lower price or on terms more favorable to the purchaser or transferee than those specified in the notice to the secretary.

8.1.a **Any sale or transfer**, or purported sale or transfer, of the shares of this corporation shall be null and void unless the terms, conditions, and provisions of this paragraph are strictly observed and followed.

8.1.b **Written Consent.** No sale, lease, conveyance, transfer, exchange or other disposition of all, or substantially all, the property and assets of this corporation, and no mortgage, deed of trust, pledge or hypothecation of all or substantially all the property, real or personal, of this corporation shall be made unless approved by the vote or written consent of the shareholders entitled to exercise a majority of the voting power of this corporation.

8.2 **New Issues of Stock.** As long as the original incorporators own stock in the corporation, it shall not issue new stock unless all incorporators approve that issue.

8.3 **Endorsement of Stock Certificates.** Upon the issuance of shares, each certificate of capital stock in the corporation shall be endorsed as follows:

NOTICE IS HEREBY GIVEN that the redemption, sale, assignment, transfer, pledge or other disposition of the shares of capital stock represented by this certificate are subject to certain restrictions which are set forth in the Articles of the Standard Memorandum of Incorporation and the Bylaws of this corporation, copies of which are on file in the office of the secretary of the corporation, and the corporation will furnish upon request and without charge a list of designations, preferences, limitations and relative rights. All stock of the corporation shall be subject to these restrictions and have endorsed thereon the appropriate notice contained in this paragraph.

8.4 **Increased Authorized Stocks and Classes:** The aggregate total number of all classes of stock which the "Corporation" has the authority to issue is **increased** to *five billion* (5,000.000,000) shares divided into two classes: (A) one class of *four billion, nine hundred and ninety million* (4,990,000,000) shares of the *Common or Ordinary Stock*, with USD $0.10 nominal or par value or equivalent to 1.22 South African Rand per share, and (B) one class of *ten million* (10,000,000) shares of *Preferred Series Super Voting Stock only* with a nominal and par value of USD$1.00 or 10.67 ZAR per share, which is equivalent to 100 common votes per share only and are not convertible to common as set forth in this Article 4.

8.5. **Certificate of Designation~ Series Super Voting "C" Preferred & Common Ordinary Stocks**

8.5.(a) Re-Designation: Preferred class of stock of this corporation heretofore named "Preferred Stock" shall be re-named and designated as *Super Voting "C" Preferred Stocks.*

Super Voting Preferred "C" Stocks

8.5.(a)i Super Voting Preferred "C" Stocks - Anti- Dilutive, have full voting rights equals to *one hundred* (100) *common votes* per *one* (1) *Super-Voting "C" Series Preferred* Stocks, not Convertible to Common Stocks, *Ten Million* (10,000,000) Authorized stocks, $1.00 nominal and par value per share and Priced at $10.00 per Share;

8.5.(a)ii 9,500,000 had been issued since May 8, 2008 under the name of "AU Marcge Minerals AG, the nominee name of the Majority Controlling Stockholders - BCHI Philippines, based on the provisions of the merger with GreenGold Ray Energies, the predecessor name of the MOA entered into between Waste Recovery, Inc. and BCHI Philippines on April 15, 2008, as confirmed and filed under the jurisdiction of the State of Texas, U.S.A.

Re-Designation of Common Ordinary Stock

8.5.{b} Re-Designation of Common Stock. The Common class of Stock of this corporation heretofore named "Common Ordinary Stock" to have *four billion, nine hundred ninety million* (4,990,000,000) Authorized Shares @ $0.100 USD (1.22 ZAR) nominal and par value, be re-named and designated as "Restricted and Unrestricted (freely tradeable) stocks".

8.5{c}, *four hundred ninety-seven million, two hundred five thousand and nine hundred three* (497,205,903) were the total **adjusted** "ordinary common shares" issued and outstanding

At Merger, held by the existing shareholders of the *Non-Surviving U.S.A.* Publicly Traded Corporation of **GreenGold Ray Energies, USA Corporation**, as a result of its *Plan of Merger* with "AU MIN AFRICA PTY LTD, the Surviving South African Corporation; as one of the provisions of the merger executed by both Parties on June 20, 2014, was confirmed and issued by the Secretary of States of Tennessee, U.S.A. as evidenced by the issuance of the "***Acknowledgement of Merger***" filing on July 8, 2014.

8.5{d}, *eight hundred fifty-nine million, four hundred fifty three thousand and four hundred three* (859,453,403 = [497,205,903 + 362,247,500]) were the **Overall Total Adjusted** "ordinary common shares" issued and outstanding **At Merger**, held by the current and existing shareholders of "AU MIN AFRICA, the Surviving South African Corporation as of August 27, 2014.

8.6 Conversion Rights.

a. Each individual share of *Super Voting Preferred "C"* Stock is not convertible into any number of shares of Common Stock;

8.7 **Issuance.**

Preferred Series "C" Super-Voting Stocks

Shares of *Preferred Series "C" Super-Voting Stocks* may not be issued in exchange any partial or full retirement of debt held by Management, employees or consultants. The number of Shares of *Preferred Series "C" Super-Voting Stocks* to be issued to each qualified person (member of Management, employee or consultant) holding a Note are not applicable.

8.8 Voting Rights.

Series "C" Super-Voting Preferred Stocks

8.8.(a) If at least one share of *Super-Voting Series "C" Preferred Stock* is issued and outstanding, then the total aggregate issued shares of *Super Voting Series "C" Preferred* Stock at any given time, regardless of their number, shall have voting rights equals to *one hundred* (100) *common stocks* at the time of any vote of shareholders.

8.8.(b) Each individual share of S*uper Voting Series "C" Preferred* Stock shall have the voting rights equal to *one hundred* (100) *common stocks* of the number of shares of Common Stock, at the time of any vote of shareholders which are issued and outstanding at the time of the vote.

8.9. Dividends.

The holders of *Common Ordinary Stock*s shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

8.10 CERTIFICATE OF DESIGNATIONS, PREFERENCES, RIGHTS AND LIMITATIONS OF SERIES "C" SUPER-VOTING PREFERRED STOCK.

8.10.(a) DESIGNATION AND NUMBER OF SHARES.

8.10.(a)(i) *Ten Million* (10,000,000) shares of *Series "C" Preferred Stock*, par value $1.00 USD (10.67 ZAR) per share (the "Preferred Stock"), are Authorized pursuant to Article IV of the Corporation's Amended Certificate of Incorporation ("Series "C" Preferred Shares").

8.10.(b) LIQUIDATION RIGHTS.

Series C Super -Voting Preferred Stocks

8.10.(a) Upon any liquidation, dissolution or winding up of The Corporation, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any stock ranking junior to the *Super Voting Series "C" Preferred* Stocks, the holders of the *Super Voting Series "C" Preferred* Stock shall be entitled to be paid out of the assets of the Corporation an amount equal to $10.00 per share (ZAR 121.56 South African Rand) in the event of an aggregate subscription by a single subscriber for *Super Voting Series "C" Preferred* Stock in excess of $100,000 (@ 1.22 ZAR per share). These were adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares (the "Preference Value"), plus all declared but unpaid dividends, for each share of *Super Voting Series "C" Preferred* Stock held by them.

After the payment of the full applicable Preference Value of each share of the *Super Voting Series "C" Preferred* Stock as set forth herein, the remaining assets of the Corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Corporation's Common Stock.

8.10.(c). CONVERSION AND ANTI-DILUTION.

Series "C" Super-Voting Preferred Stock

Each share of *Super Voting Series "C" Preferred Stock* Anti-Dilutive and are Not Convertible, at any time; par value $1.00 USD (or 10.67 ZAR) per Share, subject to adjustment as may be determined by the Board of Directors from time to time (the "Conversion Rate").

8.11. PRIOR TO THE REVERSE SPLITS. Shares *of Super Voting Series "C" Preferred Stock* however, would not participate in any forward splits, and may not be diluted by any reverse split following a forward split.

8.12 VOTING RIGHTS.

8.12.a Each share of *Super Voting Series "C" Preferred* Stock shall have *one hundred* (*100*) common votes for any election or other vote placed before the shareholders of the Company.

8.12(d) Shares of *Super Voting Series "C" Preferred* Stock, however, would not participate in forward splits, and may not be diluted by a reverse split following a forward split.

8.13. PRICE.

(a) The initial price of each share of *Super Voting Series "C" Preferred* Stock shall be $10.00 USD (121.56 ZAR)

(b) The initial price of each share of *Common Ordinary Stock is set at $0.1000 (1.22 ZAR). That no shares shall be sold below $0.1000 (1.22 ZAR) each ordinary share which is its Nominal Par Values.*

(c) The price of each share of *Super Voting Series "C" Preferred* Stocks may be changed either through a majority vote of the Board of Directors through a resolution at a meeting of the Board, or through a resolution passed at an Action Without Meeting of the unanimous Board, until such time as a listed secondary and/or listed public market develops for the shares.

PART NINE – MISCELLANEOUS

9.1 **Election of Vice-Chairman Pro Tem.** In the absence of the chairman, the president, and any vice president at any shareholders or directors meeting, the shareholders or directors present shall select a Vice-Chairman pro tem, who shall preside at the meeting and exercise the same powers as the chairman, the president, or the vice president could if present.

9.2 **Parliamentary Law.** When not in conflict with these Bylaws, Robert's Rules of Order, Revised, 75th Anniversary Edition, shall establish the rule of procedure at all shareholders and directors meetings, and the provisions of that publication are incorporated by reference herein as the ruling law for this corporation.

9.3 **Power to Vote Shares Held by the Corporation.** In the event that this corporation owns shares of stock of another corporation, the president of this corporation shall be authorized to vote those shares on behalf of this corporation. A certified copy of this Bylaws shall be prepared to accompany the president at any shareholders' meeting which he attends for purposes of voting stock on behalf of this corporation, or a certified copy of this Bylaws shall be attached to any proxy which the president may execute for the purpose of permitting another person to act as his proxy to vote the stock of another corporation.

Shares of its own stock held by this corporation shall not be voted, directly or indirectly, at any meeting and shall not be counted in determining the total number of outstanding shares at any time, except that shares of its own stock held by the corporation in a fiduciary capacity may be voted and shall be counted in determining the total number of outstanding shares at any given time.

9.4 **Corporate Minute Books and Stock Records.** The minute book of this corporation shall be prepared in triplicate, with the original placed in the office of the corporate attorney, who shall act as assistant secretary and transfer agent for the corporation at all times, a duplicate in the office where the corporation has its principal place of business, and a second duplicate in the office of the accountant for the corporation. Whenever any minutes, reports or other corporate documents are prepared, they shall be prepared in at least three copies, with one copy

executed and placed in the original minute book and two conformed copies placed in the respective duplicate minute books.

Both the president and the attorney shall have at all times a legal size file which shall contain originals or copies of all legal documents which do not readily fit in the corporate minute book and which have any effect upon the legal rights and duties of the corporation.

The attorney, other individual or entity who serves as transfer agent for the corporation shall have in his possession at all times a duplicate corporate seal, the blank copies of corporate stock certificates, and the stock records, which shall be available to the shareholders at all times.

9.5 **Loans to Corporation.** Should any of the shareholders be asked to lend money to the corporation in the form of either promissory notes or bonds, these loans shall be executed in writing in the usual form for promissory notes or bonds, and shall bear the maximum rate of interest which the law permits a corporation to pay for money that the corporation may borrow. This provision applies to all moneys or assets which a shareholder may transfer to the corporation with the intent that such moneys or assets be treated as loans.

9.6 **Dealings by Directors.** No contract or other transaction between this corporation and any other corporation, whether or not a majority of the shares of the capital stock of such other corporation is owned by this corporation, and no act of this corporation shall in any way be affected or invalidated by the fact that any of the directors of this corporation are pecuniary or otherwise interested in, or are directors or officers of, such other corporation. Any director individually, or any firm of which that director may be a member, may be a party to or may be pecuniary or otherwise interested in any contract or transaction of this corporation, provided that the fact that he or his firm have an interest in the transaction shall be disclosed to a majority of the board of directors of this corporation. Any director of this corporation who is also a director or officer of another corporation dealing with this corporation, or who has any personal interest in a matter before the board of this corporation, may be counted in determining the existence of a quorum at any meeting of the board of directors of this corporation which shall authorize any action that may affect that director or that other corporation. That director may vote at such a meeting as if he were not a director or officer of the other corporation or was not personally interested.

9.7 **Seniority of Articles of Incorporation.** Any reference made in these Bylaws to the corporation's Articles refers to this corporation's Articles of Incorporation and all amendments on file with the South African Secretary of State. The Articles will in all respects be considered senior and superior to these Bylaws, with any inconsistency to be resolved in favor of the Articles.

9.8 **Settlement of Disputes.** Any dispute arising out of or in connection with these Bylaws including disputes between or among the corporation, the incorporators, the shareholders, and the directors, shall be settled by the negotiation, mediation and arbitration provisions of that certain Law Forms Uniform Agreement Establishing Procedures for Settling Disputes entered into by the parties prior to or concurrently with the adoption of these Bylaws.

9.9 **Interpretation.** Should there be any question in the interpretation of any provision of the Articles of Incorporation or Bylaws of this corporation, then an interpretation given in writing by the attorney who drew these documents, shall be binding. If that attorney is no longer practicing law at the time such interpretation is required, then a written interpretation by a senior member of the last law firm with which the named attorney practiced shall be binding. If that law firm has ceased to be in existence at the time of such interpretation, then written interpretation shall be obtained by the board of directors from three disinterested attorneys specializing in corporate law in the state of incorporation, and the interpretation rendered by a majority of them shall be binding.

9.10 **Non-Liability of Shareholders, Officers and Directors.** The shareholders, officers, and directors of this corporation shall **not be** individually liable for the corporation debts or other liabilities, and private property of such individuals shall be exempt from corporation debts or liabilities.

No director of the corporation shall be personally liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director; provided, however, that this by-law shall not eliminate or limit the liability of a director (a) for any breach of the director's duty of loyalty to the corporation or its shareholders; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) for authorizing the unlawful payment of a dividend or other distribution on the corporation's capital stock or the unlawful purchase of its capital stock; (d) a violation of South Africa law (Conflict of Interest); or (e) for any transaction from which the director derived an improper personal benefit.

9.11 **Indemnification of Officers, Employees and Escrow Transfer Agents.** The corporation shall indemnify every officer, employee and agent, his heirs, executors and administrators, against all expenses reasonably incurred by such person in connection with any action, suit or proceeding to which such person may be made a party by reason of that person being or having been an officer, employee or agent of this corporation, or by reason of that person being or having been an officer, employee or agent of any other corporation of which this corporation is a shareholder or creditor, and from which other corporation such person is not entitled to be indemnified, or by reason of such officer, employee or agent or former officer, employee or agent becoming a party to any such action, suit or proceeding at the request of or at the direction of this corporation or any successor hereto; provided, however, there shall be no indemnification in relation to any matter as to which such person shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct.

In the event of a settlement of such action, suit or proceeding, indemnification of such person shall be provided only in connection with such matters covered by such settlement as to which the corporation is advised by counsel that such person to be indemnified did not commit such a breach of duty. This right of indemnification shall be exclusive of other rights to which such person may be entitled. As used in this bylaw, expenses shall include, but shall not be limited to amounts of judgments, penalties or fines, and interest thereon for reasonable periods of time, rendered, levied or adjudged against such persons, costs of the action, suit or proceeding, attorneys' fees, expert witness fees and amounts paid in settlement by such persons, provided that such settlement shall have been or is thereafter approved by the board of directors of this

corporation. This Bylaw is made a part of these Bylaws to comply with and to take full advantage of South African laws governing such indemnification.

9.12 **Authority to Sell Corporate Assets.** With the consent or ratification in writing or pursuant to the vote of the holders of a majority in interest of the capital stock issued and outstanding, the board of directors will have the powers and authority to lease, sell, assign, transfer, convey or otherwise dispose of the entire property of the corporation, irrespective of the effects thereof upon the continuance of the business of the corporation and the exercise of its franchise; but the corporation may not be dissolved except as provided by the laws of the South Africa.

9.13 **Employment Restrictions.** The corporation shall hire employees without discrimination as to age, sex, race, or creed, and no compulsory retirement restrictions shall be placed upon any employee.

PART TEN – EMERGENCY BYLAWS

10.1 **When Operative.** The emergency by provided herein shall be operative during any emergency in the conduct of the business of the corporation resulting from an attack on South Africa or any nuclear or atomic disaster, or loss of directors or officers for all other reasons, notwithstanding any different provision in other paragraphs of these Bylaws the Articles of Incorporation, or in the CIPC of South Africa. To the extent not inconsistent with the provisions of this Part Ten, the other provisions of the by-laws shall remain in effect during such emergency, and upon its termination these emergency bylaws shall cease to be operative.

10.2 **Event of Emergency.** During any such emergency as described in provision 10.1, the following actions shall be taken:

10.2.a A meeting of the Board of Directors may be called by any officer or director of the corporation. Notice of the time and place of the meeting shall be given by the person calling the meeting to such of the directors as it may be feasible to reach by any available means of communication. Such notice shall be given at such time in advance of the meeting as circumstances permit in the judgment of the person calling the meeting.

10.2.b At any such meeting of the Board of Directors, a quorum shall consist of any two directors, one director and one officer, or any two officers. For the purpose of attaining a quorum in times of such emergency to effect the continued conduct of the business, all officers of the corporation shall immediately become temporary directors of the corporation until the termination of the emergency, without election by the shareholders or appointment by the board of directors.

10.2.c The Board of Directors, either before or during any such emergency, may provide, and from time to time modify, lines of succession such as removal of directors or officers, and in the event that during such an emergency any or all officers or agents of the corporation shall for any reason be rendered incapable of discharging their duties.

10.2.d The Board of Directors, either before or during any such emergency, may, effective in the emergency, change the head office or designate several alternative head offices or regional offices, or authorize the officers so to do.

10.3 **Non Liability.** No officer, director or employee acting in accordance with these emergency by-laws shall be liable except for willful misconduct.

10.4 **Amendment or Repeal.** These emergency by-laws shall be subject to repeal or change by further action of the board of directors or by action of the shareholders, but no such repeal or change shall modify the provisions of the next preceding paragraph with regard to action taken prior to the time of such repeal or change. Any amendment of these emergency bylaws may make any further or different provision that may be practical and necessary for the circumstances of the emergency.

PART ELEVEN – BUY AND SELL

11.1 **Stock Purchase Arrangement in Event of Death of Shareholder or Desire to Sell Out.** In the event that a shareholder dies or mails to the president of the corporation, at the principal place of business of the corporation, a written notice stating that the shareholder desires to sell his interest in the corporation, then, in that event, this provision shall become applicable.

Within *ten* (10) days after the death of a shareholder or the notice of sellout, the directors of the corporation shall call a meeting for determining the fair market value of the stock of the corporation as of the date of death of a deceased shareholder or as of the date of the written notice of a shareholder desiring to sell out. The shareholder desiring to sell out, or the lawful representative of a deceased shareholder, shall attend the board of directors meeting thus called, and every attempt shall be made by the parties present to establish an agreed fair market value for the stock. If at this meeting the parties attending are unable to agree as to the fair market value of the stock, then, in that event, the dispute as to the value shall be negotiated, mediated and arbitrated in accordance with the provisions of the Law Forms Uniform Agreement Establishing Procedures for Settling Disputes entered into by the shareholders, directors and officers of the corporation prior to or concurrently with the adoption of these by-laws.

The mediators and arbitrators selected in accordance with that Uniform Agreement shall meet with the officers of the corporation and have access to the books and records of the corporation, and shall make every attempt to arrive at the fair market value of the stock as of the day prior to the date of death of a deceased shareholder or as of the date of the written notice of a shareholder desiring to sell out, unless the parties agree to fix the value as of another date.

As soon as the fair market value of the stock has been established, the president of the corporation shall send a notice to all shareholders of the value thus established and offer the shares to the remaining shareholders on a pro rata basis.

If the shareholders fail to purchase their pro rata shares of the stock within 15 days after the mailing of this notice for the price offered, then the shares which have not been purchased shall be purchased by the corporation in the following manner: The corporation shall execute a

promissory note for 75% of the full value of the unsold shares of a shareholder voluntarily selling out, or for 90% of the full value of the unsold shares in the case of a deceased shareholder, with the successor of the deceased shareholder as the payee or the shareholder desiring to sell out as the payee. This promissory note shall be payable in regular monthly installments over a five year period, and shall bear interest on the unpaid balance at 1% over the prime rate then being charged by the largest bank in the city where the principal place of business of the corporation is located. The promissory note shall be in the usual form and shall be prepared by the corporate attorney. The shares sold in the corporation shall be pledged by the corporation as security for the promissory note thus executed.

11.2 **Optional Method of Fixing Purchase Price.** The shareholders may, at the annual meeting of shareholders, determine the value of the stock of the corporation. If a valuation is set by the shareholders at the annual meeting under this provision, a certificate of value in a form exemplified in Exhibit A attached shall be used for this purpose and signed by each shareholder as evidence of the value. This value, if set at the annual meeting, shall control the value should a shareholder die thereafter, and the provisions of paragraph 11.1 relating to the special meeting of the directors to determine the value or to the negotiation, mediation and arbitration provisions of the Law Forms Uniform Agreement Establishing Procedures for Settling Disputes to determine the value shall not apply in situations of the death of a shareholder only.

Shareholders desiring to sell out (and not being deceased) cannot use the valuation set by the shareholders at the annual meeting, but are limited to the valuation methods set forth in paragraph 11.1 above.

11.3 **Failure to Fix Price at Annual Meeting.** Should the shareholders fail to agree on the value for the stock of the corporation at the annual meeting of shareholders in accordance with paragraph 11.2 above, then the purchase price shall be the total sum of the following:

11.3.a The most recent agreed value as set forth in the latest schedule reflecting the per share value of the stock, plus

11.3.b The per share amount of the net earnings or losses, less dividends, of the corporation from the date of each fiscal year closing after the annual meeting of shareholders following the date of the last fixing of an agreed value, up through the end of the month in which the death occurred.

At the option of the representative of a deceased shareholder, a re-determination has not been endorsed on a schedule reflecting the per share value within 12 months preceding the death, then, in that event, three parties shall be appointed to establish a valuation: one by and to represent the surviving shareholders; one by and to represent the legal representative; and the two so appointed to select a third. The decision of the parties shall be by majority vote.

Notwithstanding the above procedures, the legal representative and the surviving shareholders may accept as controlling the last valuation made by the shareholders. It is the intent of the parties that the value of the shareholders' interest as herein determined does include good will.

11.4 **Method of Determining Net Earnings or Losses.** The determination of net earnings or losses, in accordance with paragraph 11.3.b above, shall be made in accordance with generally accepted accounting practices used in determining the net earnings or losses of the corporation and shall include a reasonable allowance for federal and state income taxes for the year in which death occurs.

11.5 **Fixes Full Value.** The execution by all shareholders of the schedule reflecting the per share value of the stock shall reflect the agreement between and among the shareholders that the purchase price determined by that schedule is the full value of each share of the stock of the corporation, and that purchase price shall in no manner be altered, and that all assets, both tangible and intangible, if any, as well as all liabilities, including mortgages, liens or other encumbrances of any kind whatsoever, if any, or upon the assets of the corporation have been considered in determining that value.

11.6 **Reduction in Discount.** Notwithstanding the percentages set forth in provision 11.1 above (Stock Purchase Arrangement in Event of Death of Shareholder or Desire to Sell Out), for every year that a shareholder has owned stock in the corporation, the above stated discount charged against the retiring shareholder shall be reduced by 1%. The purpose of this provision is to encourage shareholders to remain in the corporation as long as possible before withdrawing from participation in the corporation. For instance, if the discount is 25% and the shareholder has held stock in the corporation for three full years, then the discount would be reduced to 22%. If a shareholder died, having held corporate stock for eight years, then the discount would be reduced accordingly, and the heirs of the shareholder would be paid 98% of the value of the stock.

11.7 **Compliance with South African Law.** In no event shall the corporation enter into an agreement whereby the corporation repurchases its own stock pursuant to a redemption without complying with South African law.

11.8 **Formal Buy and Sell Agreement.** In the event the shareholders enter or have entered into a formal written stock redemption or buy and sell agreement which includes provisions governing the sale of stock by a withdrawing, deceased or disabled shareholder, and if any provisions of this Part Eleven of these by-laws are in conflict with that formal written stock redemption or cross agreement, then the provisions of the formal written stock redemption or cross purchase buy and sell agreement shall take precedence over this Part Eleven.

PART TWELVE – PROTECTION FOR SHAREHOLDERS AND CORPORATION

Should the Corporation elect to be taxed under Subchapter "S" of the Internal Revenue Code, all shareholders shall acknowledge their intention to continue such election unless they shall terminate it in accordance with the provisions of these By-laws. The shareholders agree that they will do nothing, directly or indirectly, which will cause an inadvertent or wrongful termination of the Corporation's Subchapter "S" election. Furthermore, the shareholders agree to take such action as may be required to continue such election and to prevent its termination as set forth below.

12.1 **Prohibition Against Shareholder Transfers that Result in Termination of "S" Status.** In order to prevent an inadvertent or wrongful termination of the Corporation's Subchapter "S" election, no shareholder shall transfer any stock owned by him or her to:

12.1.a A person who, when added to the other shareholders of the Corporation, would cause the total number of shareholders of the Corporation to exceed the number permitted by Internal Revenue Code §1361(b)(1)(A);

12.1.b An individual who is a nonresident alien;

12.1.c A trust which fails to satisfy the requirements of Internal Revenue Code §1361(c)(2) or (d);

12.1.d A personal representative, who on such shareholder's death, revokes the Corporation's Subchapter "S" election (except for a revocation permitted in accordance with these by-laws); or

12.1.e Any person, whom the shareholder knows, or has reasonable grounds to believe, will take actions which will cause the Corporation's Subchapter "S" election to terminate. Any such transfer shall be null and void.

12.2 **Restriction on Disposition of Stock.** No shareholder shall at any time, directly or indirectly, voluntarily or involuntarily, by law, by judicial or other government process, order or proceeding, or otherwise, dispose of all or any part of his or her shares of stock in the Corporation then owned by such shareholder, without the written consent of the Corporation, the written consent of all the other shareholders, and the written opinion of the Corporation's legal counsel that the transfer will not cause a termination of the Corporation's Subchapter "S" election. The term dispose of as used in these by-laws shall include the sale, assignment, transfer, conveyance, gift, encumbrance, pledge, hypothecation, levy, attachment, execution, and other disposition of stock in the Corporation. In the absence of such written consent and favorable opinion by counsel, any such disposition is null and void.

12.3 **Prohibition Against Corporate Activity that Results in Termination of "S" Status.** In order to prevent an inadvertent or wrongful termination of the Corporation's Subchapter "S" election, the Corporation shall not own more than eighty percent (80%) of the outstanding stock of another corporation such that the Corporation would be considered a member of an affiliated group in violation of Internal Revenue Code §1361(b)(2)(A); provided, however, that nothing in these by-laws shall prohibit the Corporation from owning this percentage of the stock of another corporation if such ownership would not cause the Corporation's Subchapter "S" election to terminate, as for example is permitted by Internal Revenue Code §1361(c)(6).

12.4 **Prohibition Against Second Class of Stock.** In order to prevent the Corporation's debt instruments from being treated as a second class of stock, these by-laws shall govern the Corporation's issuance of any debt instruments to its shareholders. All such debt shall be straight

debt within the meaning of §1361(c)(5) of the Internal Revenue Code, and the debt instruments shall mature at the end of a specified number of years, will not be convertible into stock of the Corporation, and will be nontransferable during the shareholder's life or by his or her estate after death unless the transferee is a person who is permitted to own shares in an "S" corporation.

12.5 **Tax Matters Shareholder.** The parties hereby appoint the majority shareholder of the Corporation as the tax matters shareholder to act on behalf of the shareholders and the Corporation for federal tax audit purposes.

12.6 **Indemnification.** Each shareholder agrees that should he or she violate these by-laws which cause a termination of the Corporation's Subchapter "S" election, he or she will indemnify and hold harmless the other shareholders with respect to any damages they suffer as a result of the termination.

The parties agree that upon the sale or transfer of his or her shares of stock in accordance with these by-laws:

12.6.a The disposing shareholder will indemnify and hold harmless the other shareholders with respect to the disposing shareholder's pro rata share of tax liabilities which may have accrued during the time that the disposing shareholder held his or her stock in the Corporation; and

12.6.b The Corporation and the other shareholders will indemnify and hold harmless the disposing shareholder with respect to any tax liabilities or loss of tax benefits such shareholder may incur as a result of any action taken by the Corporation or other shareholders after the disposal of said stock, including by way of example, any action which results in the termination of the Corporation's Subchapter "S" election, or causes a retroactive change or adjustment in the Corporation 's tax returns, method of accounting or status as an "S" Corporation.

12.7 **Agreement Concerning Tax Matters.** The parties agree that upon the affirmative vote of not less than fifty percent (50%) of the voting shares of the Corporation's stock, all of the shareholders will:

12.7.a Enter into an agreement under §1362(f)(4) of the Internal Revenue Code, to make adjustments to income as required by the Internal Revenue Service to avoid an inadvertent termination of the Corporation's Subchapter "S" election;

12.7.b Consent to the election under §1362(e) of the Internal Revenue Code, to allocate items of income deduction or loss upon the termination of the Subchapter "S" election of the Corporation between the "S" short year and the "C" short year according to the time they were incurred or realized as reflected on the books and records of the Corporation, rather than on a pro rata basis;

12.7.c Consent to the election under §1377(a)(2) of the Internal Revenue Code, to allocate income upon the termination of a shareholder's stock interest in the Corporation as if the taxable year had consisted of two taxable years, rather than on a pro rata basis; and

12.7.d Consent to the election under §1368(e)(3) of the Internal Revenue Code, to treat all distributions during the Corporation's taxable year as being out of the Corporation's accumulated earnings and profits to the extent thereof, rather than from the accumulated adjustments account.

Each shareholder hereby irrevocably appoints each executive officer of the Corporation (President, Vice-President, Secretary, and Treasurer) as his attorney-in-fact to enter into the above agreements and consents on behalf of the shareholder, if the requisite vote is obtained. This power is coupled with an interest, shall constitute an irrevocable proxy to vote stock, shall not expire on the death or incapacity of the appointing shareholder, and may not be revoked while these by-laws are in effect.

12.8 **Estate Plans of Shareholders.** Each shareholder agrees to disclose his or her current estate planning documentation (and any revisions thereto), on a completely confidential basis, to the Corporation's legal counsel so that an inadvertent termination of the Corporation's Subchapter "S" status will not occur.

Furthermore, in order to prevent a revocation of the Corporation's Subchapter "S" election by a personal representative owning a majority of the Corporation's stock, each shareholder shall prepare and execute a will or a codicil to his or her existing will, which shall contain the following provision:

If at the time of my death, I own a majority interest in stock of any corporation which has in force a valid election under Subchapter "S" of the Internal Revenue Code, it is my desire that such Subchapter "S" election continue after my death. Therefore, unless otherwise permitted by the by-laws or Shareholder's Agreements in these corporations, I direct that my personal representative not file a consent to revocation of such election and that he or she take such other steps as may be required by the Internal Revenue Code to continue the Subchapter "S" election. So long as the Corporation's election under Subchapter "S" continues in effect, all succeeding wills executed by each shareholder shall contain the above provision.

12.9 **Escrow of Stock.** Each certificate of stock owned by a shareholder shall be deposited with the Corporation's attorney who shall act as an Escrow Agent, to be held in escrow in order to carry out the terms of these by-laws. All parties shall sign such written escrow instructions as are agreed on between Escrow Agent and the Corporation which are consistent with the terms of these by-laws. Such escrow instructions shall include a provision that no certificate shall be released from the escrow for transfer unless such transfer is made in accordance with the terms of these by-laws. Such escrow instructions shall also include provisions to the effect that the Escrow Agent shall not have the powers of a trustee and that there is no intent to create a trust relationship. If there is a conflict between the terms of these by-laws and the escrow instructions, the terms of these by-laws shall prevail.

12.10 **Revocation of Subchapter "S" Election.** Notwithstanding anything contained in these by-laws to the contrary, the parties agree that the Corporation's Subchapter "S" election may be revoked upon the affirmative vote of not less than fifty percent (50%) of the voting shares of the

Corporation's stock. If the requisite vote is obtained, each shareholder agrees to execute the necessary forms to implement the revocation.

Each shareholder hereby irrevocably appoints each executive officer of the Corporation (President, Vice-President, Secretary, and Treasurer) as his attorney-in-fact to enter into the above agreements and consents on behalf of the shareholder, if the requisite vote is obtained. This power is coupled with an interest, shall constitute an irrevocable proxy to vote stock, shall not expire on the death or incapacity of the appointing shareholder, and may not be revoked while these by-laws are in effect.

12.11 **Distributions to Shareholders for Payment of Taxes.** The Corporation agrees to distribute cash to each shareholder, within forty-five (45) days after the end of the Corporation's tax year, equal to no less than fifty percent (50%) of the net distributive share of income, credits, deductions, etc., that have passed through to the shareholder under Internal Revenue Code §1366, as is shown on such shareholder's Schedule K-1 of the Corporation's Informational Tax Return, Form 1120-S.