

# LETTER OF APPOINTMENT

(Non-executive director)

Entered into by and between:

*CILO CYBIN HOLDINGS LIMITED*  
(Registration number 2022/320351/06)

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(herein after referred to as "**the Company**")

**AND**

*Rudolph Lungile Mabece (ID 6501125587080)*

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(herein after referred to as "**the Non-executive director**")

**The parties hereby agree as follows:**

## **Definitions**

- "Completed" means, with reference to the acquisition of Viable Assets by a SPAC, that an acquisition has become unconditional and that the Viable Assets have been transferred into the name of the SPAC;
- "Director" a director of the Company as defined in the Companies Act;
- "JSE" JSE Limited (registration number 2005/022939/06), licensed as an exchange under the Financial Markets Act (Act No. 19 of 2012) as amended, and a public company registered and incorporated in terms of the laws of South Africa;
- "Listing" the admission to the List of the entire issued Share capital of the Company, as a SPAC on the Main Board of the JSE.
- "Listings Requirements" the Listings Requirements, as amended by the JSE from time to time;
- "SPAC" a special purpose acquisition company, being a special purpose vehicle established for the purpose of facilitating the primary capital raising process to enable the acquisition of Viable Assets

in pursuit of a Listing on the Main Board or AltX, as envisaged in terms of the Listings Requirements

“Viable Assets” assets that, if acquired, will enable the Company to qualify for a Listing, other than as a SPAC, pursuant to the Listing criteria of the Main Board or AltX;

### **Duration of appointment**

The appointment is from 23 February 2022. Your appointment will continue until such time as it is terminated as a result of, among other things, the occurrence of any event specified in the Memorandum of Incorporation (MOI) for the vacation of office as a Director, including, without limitation, retirement, retirement by rotation (which includes any requirement to resign at the first annual general meeting of the Company post implementation of the Listing) in accordance with the MOI.

The Non-executive director agrees to make himself available for re-election as a Director following his retirement at the first annual general meeting of the Company post implementation of the Listing.

A Non-executive director may resign at any time, provided that the Non-executive director gives not less than two calendar months' written notice to that effect to the Company.

A Director will not be entitled to claim any damages or other compensation for loss of office or the termination of his appointment as a Director.

Continuation of your contract of appointment is contingent on on-going satisfactory performance and if Company's shareholders do not re-elect you as a director in accordance with the constitution, your appointment shall terminate with immediate effect.

### **Role of the board**

Each Non-executive director will have all the duties usually attendant on that office. In performing his duties and exercising his powers as a Non-executive Director, he is obliged to comply with all statutory and common law duties of a director in general, and with the provisions of the MOI.

The board's role is to effectively represent, and promote the interests of, the Company and, thereby, all shareholders. Having regard to its role the board directs, and supervises the management of, the business and affairs of the Company including:

- ensuring the Company's goals are clearly established, and strategies are in place for achieving them;
- establishing policies for strengthening the performance of the Company including ensuring management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;

- monitoring the performance of management, appointing the CEO and CFO, setting the terms of their employment agreement, regularly reviewing their performance and, where necessary, terminating their employment;
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring the Company's financial statements are true and fair and otherwise conform with law and applicable accounting standards;
- ensuring the Company adheres to high standards of ethics and corporate behaviour;
- ensuring the Company has appropriate risk management/regulatory compliance policies in place.

In the normal course of events, day-to-day management of the Company is left to management. All directors are expected to take decisions objectively in the interests of the Company. The board as a whole is collectively responsible for the success of the Company. All directors, whether non-executive or executive, have the same general legal responsibilities.

### **Timing and location of board meetings, and time commitment**

The board will meet formally each quarter. Meetings usually take place at the Company's office in Midrand or virtually, with at least one site visit per year. The duration of each meeting typically runs to half a day.

Meeting absences must be approved by the chairperson.

### **Remuneration**

For the period from Listing as a SPAC to acquiring Viable Assets each non-executive Director will receive R25 000 per meeting attended, as remuneration for services rendered to the Company in his capacity as a Director, and R20 000 per meeting for members of the Audit and Risk Committee as well as other committees of the Board of Directors.

This amount will be reviewed by the Remuneration Committee after the Completion of the acquisition of Viable Assets and any changes thereto will be proposed at the Company's annual general meeting.

The Company shall reimburse the executive Directors in respect of reasonable business expenses (including business travel, telephone and accommodation expenses) incurred in the course of performing their duties and obligations in terms hereof.

## **Committee involvement**

Board committees are formed when it is efficient or necessary to facilitate effective decision-making. The board's present standing committees are the audit and risk committee.

## **Board and individual director evaluation processes**

The performances of the board as a whole, and its committees and individual directors, are evaluated annually. You will be required to participate in any continuous quality improvement programmes determined by the board as being appropriate for directors and in internal and external review processes evaluating director, board and committee performance. If, in the meantime, there are any matters which cause you concern about your role you should discuss them with the chairperson of the board as soon as appropriate.

## **Outside interests including directorships**

Disclosure of interests is a continuing obligation. The Non-executive director must ensure that the board is kept informed of any changes to the Non-executive director's interests so that the interests register can be maintained and kept up to date. This should be done in writing.

Any Non-executive director is, while holding office, at liberty to accept other board appointments so long as the appointment is not in conflict with the Company's business and does not materially interfere with their performance as a director of the Company. All other additional material commitments, including other directorships, which may conflict with, or impact on, your role with Company must first be discussed with the chairperson before being accepted. Any material interests are required to be disclosed in the Annual Report and the accounts.

## **Shareholdings by directors in the company**

Non-executive director may hold shares in the Company. When buying or selling shares directors are expected to strictly observe the provisions of the Company's memorandum of incorporation, the Company's own internal rules and all relevant legislative and regulatory procedures including, in particular, JSE Listing Requirements and insider trading laws.

## **Indemnity**

The Company commits to obtaining indemnity cover for each Director, against all claims, awards, damages, costs, losses and expenses which may be made against the Director, or which the Director may incur or become liable to pay, at any time, by reason of any contract entered into, or any act or omission done or omitted to be done by the Director, in the discharge of his duties as a Non-executive Director or in his capacity as a Director or as a member of any committee of the Board.

**Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be disclosed either during your appointment or following termination (by whatever means) to third parties except as permitted by law and with prior written approval from the chairperson. and disclosure required in terms of the JSE Listings Requirements and IFRS.

***Domicilium Citandi et Executandi (Adress for service)***

The parties hereto choose as *domicilium citandi et executandi* for all notices and the services of all processes, notices and documents as required in this contract, the following addresses:

The Company:

7 Sterling Street

The Point Office Park

Unit C1

Samrand

The Non-executive director:

1 BOSBOK STREET

WEST PARK

PRETORIA

0183

Signed at WEST PARK on 20 JUNE 2022.



The Company

1. Charter

2. Mavis

As Witnesses



Director

1. NA-KHONAHAI

2. A-Guzo

As Witnesses