

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The interpretations and definitions on pages 3 and 4 of this circular apply *mutatis mutandis* throughout this circular, including this cover page.

If you are in any doubt as to the action that you should take, please consult your CSDP or broker, banker, legal advisor, accountant or other professional advisor immediately. If you have disposed of all of your William Tell shares, this circular together with the attached form of proxy (*blue*) should be forwarded to the purchaser to whom, or the broker, CSDP or agent through whom you disposed of your William Tell shares.

RECOMMENDED ACTION

1. Certificated shareholders or dematerialised "own-name" shareholders who are unable to attend the general meeting of shareholders to be held at 09:00 on Wednesday, 16 February 2011 at 31 Van Eck Street, Chamdor, Krugersdorp, and wish to be represented thereat, must complete and return the attached form of proxy (*blue*) in accordance with the instructions contained therein, so as to reach the transfer secretaries of the Company, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by not later than 09:00 on Monday, 14 February 2011.
2. Dematerialised shareholders (other than "own-name" shareholders) must provide their CSDP or broker with their voting instructions or request their CSDP or broker to provide them with the necessary Letter of Representation to attend the general meeting in person in terms of the custody agreements entered into between the dematerialised shareholders and the CSDP or broker. Any CSDP or broker which does not obtain timeous voting instructions as aforesaid will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between the CSDP or broker and the dematerialised shareholder concerned.



WILLIAM TELL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2004/030045/06)

Share code: WTL ISIN: ZAE000098133

("William Tell" or "the Company" or "the Group")

CIRCULAR TO SHAREHOLDERS OF WILLIAM TELL

relating to:

an increase in the general authority of directors to issue ordinary shares in the share capital of the Company for cash from up to a maximum of 5% of the total number of issued shares (as previously approved by shareholders) to up to a maximum of 50% of the total number of issued shares;

and incorporating:

- a notice convening a general meeting of shareholders; and
 - a form of proxy for use by certificated and "own-name" dematerialised shareholders only (*blue*).
-

Designated Advisor



PSG CAPITAL

Date of issue: 1 February 2011

This circular is available in English only. Additional copies may be obtained during business hours from the registered office of the Company and the transfer secretaries at the addresses set out in the "Corporate Information" section of this circular from Tuesday, 1 February 2011 to Wednesday, 16 February 2011.

CORPORATE INFORMATION

Company Secretary and Registered Office

S van Schalkwyk
31 Van Eck Street
Chamdor
Krugersdorp, 1741
(PO Box 1663, Krugersdorp, 1740)
Telephone: 0860 945 526
Facsimile: 086 618 2071

Transfer Secretaries

Computershare Investor Services (Proprietary) Limited
Registration number 2004/003647/07
Ground Floor
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)
Telephone: (011) 370 5000
Facsimile: (011) 688 5210

Designated Advisor

PSG Capital (Proprietary) Limited
Registration number 2006/015817/07
Ground Floor, DM Kisch House
Inanda Greens Business Park
54 Wierda Road West
Wierda Valley
Sandton, 2196
(PO Box 987, Parklands, 2121)
Telephone: (011) 326 5083
Facsimile: (011) 784 4755

and at

1st Floor Ou Kollege 35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)
Telephone: (021) 887 9602
Facsimile: (021) 887 9619

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Form of proxy for use by certificated shareholders and holders of dematerialised shares who have elected "own-name" registration (<i>blue</i>)	Attached

IMPORTANT DATES AND TIMES

Circular and notice of general meeting of shareholders posted to shareholders on	Tuesday, 1 February 2011
Last day for receipt of proxies in respect of general meeting of shareholders by 09:00 on	Monday, 14 February 2011
General meeting of shareholders at 09:00 on	Wednesday, 16 February 2011
Results of general meeting of shareholders released on SENS on	Wednesday, 16 February 2011

Notes:

1. The interpretations and definitions on pages 3 and 4 of this circular apply *mutatis mutandis* to the important dates and times as set out above.
2. All times are South African times and are subject to change.
3. Any changes to the above dates and times will be released on SENS.

INTERPRETATIONS AND DEFINITIONS

In this circular, unless otherwise stated or the context indicates a contrary intention, the following expressions shall have the meanings set out opposite them. Cognate expressions bear corresponding meanings, words denoting one gender shall import and include the others, natural persons shall import and include juristic persons and *vice versa* and the singular shall import and include the plural and *vice versa*, as follows:

“the Act”	the Companies Act, 1973 (Act 61 of 1973), as amended;
“AltX”	the Alternative Exchange of the JSE;
“the board” or “the directors”	the board of directors of William Tell in office from time to time;
“business day”	any day, other than a Saturday, Sunday or official public holiday in South Africa;
“certificated shares”	shares which have not been dematerialised, title to which is represented by a share certificate(s) or other document(s) of title;
“certificated shareholders”	holders of certificated shares;
“the circular” or “this circular”	this bound document dated 1 February 2011, including the notice of general meeting and form of proxy (<i>blue</i>);
“CSDP”	a Central Securities Depository Participant as defined in the Securities Services Act, 2004 (Act 36 of 2004);
“dematerialised shares”	shares which have been dematerialised through a CSDP or broker and replaced by electronic record(s) of ownership under the Strate system;
“dematerialised shareholders”	holders of dematerialised shares;
“the general meeting” or “the general meeting of shareholders”	the general meeting of William Tell shareholders to be held at 09:00 on Wednesday, 16 February 2011 at 31 Van Eck Street, Chamdor, Krugersdorp for the purpose of considering, and if deemed fit, passing, with or without modification, the ordinary resolutions contained in the notice of the general meeting attached to and forming part of this circular;
“the JSE”	JSE Limited (registration number 2005/022939/06), a company incorporated in South Africa and licensed as an exchange under the Securities Services Act, 2004 (Act 36 of 2004) and listed on the JSE;
“the last practicable date”	the last practicable date before finalisation of this circular, being Wednesday, 26 January 2011;
“the Listings Requirements”	the Listings Requirements of the JSE in force from time to time;
“ordinary shares” or “shares”	ordinary shares having a par value of R0.01 each in the issued share capital of William Tell;
“own-name dematerialised shareholders”	dematerialised shareholders who have instructed their CSDP to hold their dematerialised shares in their “own-name” on the sub-register;
“SENS”	the Securities Exchange News Service operated by the JSE;
“the shareholders” or “William Tell shareholders”	the holders of the ordinary shares each in the issued share capital of the Company;
“South Africa”	the Republic of South Africa;

“Strate” the electronic clearing and settlement system used by the JSE and operated by Strate Limited, registration number 1998/022242/06, a public company incorporated in South Africa;

“the transfer secretaries” Computershare Investor Services (Proprietary) Limited (registration number 2004/003647/07), a company incorporated in South Africa; and

“William Tell” or “the Company” or “the Group” William Tell Holdings Limited (registration number 2004/030045/06), a company incorporated in South Africa and listed on AltX.



WILLIAM TELL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2004/030045/06)
Share code: WTL ISIN: ZAE000098133
("William Tell" or "the Company" or "the Group")

Directors

R B Patmore (*Chairman*)*
B P Lok (*Chief Executive Officer*)
N Govender (*Financial Director*)
W van Coller
N de Winnaar
M G Meehan*

*Independent, non-executive

CIRCULAR TO SHAREHOLDERS OF WILLIAM TELL

1. INTRODUCTION AND BACKGROUND INFORMATION

- 1.1 William Tell is a mass producer of wood-based panels. The Group is vertically integrated with all manufacturing operations consolidated on one site in the industrial area of Chamdor in Krugersdorp. Activities range from production of chipboard from wood waste, application of melamine and other decorative surfaces to production of furniture elements and ready to assemble furniture.
- 1.2 William Tell had obtained approval from shareholders at its annual general meeting held on 17 November 2010 for a general authority to directors, subject to the Listings Requirements, to issue up to a maximum of 5% of the total number of issued ordinary shares in the share capital of the Company for cash, without restrictions as to any public shareholder, as defined by the Listings Requirements, as and when suitable opportunities arise.
- 1.3 Subsequently, the board of directors have decided to propose an increase in the previously approved general authority of directors referred to in paragraph 1.2 above, to the maximum aggregate number of shares which may, in accordance with paragraph 21.7(a) of the Listings Requirements, be issued for cash in any one financial year for companies listed on Alt^x, namely 50% of the total number of issued shares. Such issues will be subject to the conditions detailed in the notice of general meeting of shareholders which forms part of this circular. The rights of the shareholders will not be prejudiced by the proposed amendment but rather enhanced.
- 1.4 The purpose of this circular is to furnish the Company's shareholders with the relevant information to enable them to make an informed decision as to whether or not they should vote in favour of the ordinary resolutions set out in the notice of general meeting of shareholders which forms part of this circular.

2. RATIONALE

At the annual general meeting held on 17 November 2010 it was brought to the attention of the directors that Ordinary Resolution Number 6, relating to the directors' general authority to issue shares for cash, was ambiguously worded and unusually restrictive. It is apparent that drafting errors to this annual resolution had occurred in previous years and had not been rectified in later proof-readings of the Company's annual reports. The Company has entered a growth phase which includes the rolling out of regional distribution centres and is pursuing medium-term objectives of establishing the "Ultrabord" thin board line at Chamdor within the next 18 months. Although there is no current intention of issuing shares for cash, the directors deem it prudent to "normalise" this authority in accordance with the Listings Requirements for companies listed on Alt^x and in line with other companies listed on this exchange to ensure that the directors are properly authorised to take advantage of opportunities should the need arise.

3. SHARE CAPITAL

As at the last practicable date, the authorised and issued share capital and share premium of the Company was as follows:

	R'000
Authorised	
Ordinary shares	
250 000 000 ordinary par value shares of R0.01 each	2 500
Issued	
Ordinary shares	
125 000 000 ordinary par value shares of R0.01 each	1 250
Share premium account	179 265

4. OPINION AND RECOMMENDATION

The directors are of the opinion that the proposed increase in the general authority to directors to issue ordinary shares in the share capital of the Company for cash is in the interests of the Company and its shareholders. The Company has entered a growth phase which includes the rolling out of regional distribution centres and is pursuing medium-term objectives of establishing the "Ultrabord" thin board line at Chamdor within the next 18 months. Although there is no current intention of issuing shares for cash, the directors deem it prudent to "normalise" this authority in accordance with the Listings Requirements for companies listed on Alt^x and in line with other companies listed on this exchange to ensure that the directors are properly authorised to take advantage of opportunities should the need arise. All directors who hold shares in the Company intend voting in favour of the ordinary resolutions to be proposed at the general meeting.

5. LITIGATION STATEMENT

The directors of the Company, whose names appear on page 5 of this circular, are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or had in the recent past (being at least the previous 12 months) a material effect on the Group's financial position.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names appear on page 5 of this circular, collectively and individually, accept full responsibility for the accuracy of the information given in this circular and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this circular false or misleading, that they have made all reasonable enquiries to ascertain such facts and that this circular contains all information required by law and the Listings Requirements.

7. GENERAL MEETING OF SHAREHOLDERS

A general meeting of shareholders will be held at 09:00 on Wednesday, 16 February 2011 at 31 Van Eck Street, Chamdor, Krugersdorp at which the ordinary resolutions set out in the notice of general meeting which forms part of this circular will be proposed for consideration and, if deemed fit, approved with or without modification.

R B PATMORE

Chairman



WILLIAM TELL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2004/030045/06)

Share code: WTL ISIN: ZAE000098133

("the Company")

NOTICE OF GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that a general meeting of the Company's shareholders will be held at 09:00 on Wednesday, 16 February 2011 at 31 Van Eck Street, Chamdor, Krugersdorp ("**the general meeting**") for the purpose of considering, and if deemed fit, passing with or without modification, the following ordinary resolutions:

1. Ordinary Resolution Number 1: Increase in directors' general authority to issue shares for cash

To grant, subject to the Listings Requirements, authority to the directors to issue ordinary shares in the share capital of the Company for cash to up to a maximum of 50% of the total number of issued shares, without restrictions as to any public shareholder, as defined by the Listings Requirements, as and when suitable opportunities arise, subject to the following conditions:

- that this authority shall only be valid until the next annual general meeting of the Company or for 15 months from the date of this general meeting, whichever period is shorter;
- the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue;
- the shares so issued shall be issued only to public shareholders (as defined in paragraphs 4.25 to 4.27 of the Listings Requirements) and not to related parties;
- that an announcement giving full details of the issue, including the impact on net asset value and earnings per share, be published after any issue representing, on a cumulative basis within one financial year, 5% or more of the number of shares in issue prior to the issue concerned;
- that the issues in aggregate in any one financial year shall not exceed 50% of the number of shares of the Company's issued ordinary share capital at the time the issue is made; and
- that, in determining the price at which an issue of shares for cash will be made in terms of this authority, the maximum discount permitted shall be 10% of the weighted average traded price of the Company's ordinary shares on the JSE (adjusted for any dividend declared but not yet paid or for any capitalisation award made to shareholders) over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors of the Company.

This ordinary resolution requires the approval of not less than 75% of the votes cast by shareholders present or represented by proxy and entitled to vote at this general meeting, excluding the votes of the controlling shareholders of the Company, together with their associates.

2. Ordinary Resolution Number 2: Authority to action Ordinary Resolution Number 1

To approve that any one director of the Company or the Company Secretary be authorised to do all such things as are necessary and to sign all such documents issued by the Company so as to give effect to Ordinary Resolution Number 1.

Voting and proxies:

All shareholders will be entitled to attend and vote at the general meeting or any adjournment thereof. On a show of hands every shareholder of the Company, who, being an individual, is present or is present by proxy at the general meeting or which, being a company or body corporate, is represented thereat by a representative appointed in terms of section 188 of the Act, shall have one vote only and on a poll every shareholder of the Company (whether an individual or a company or a body corporate) or represented by a proxy at the general meeting shall have one vote for every share held by such shareholder.

The necessary form of proxy (*blue*) is attached for the convenience of the certified shareholders and dematerialised shareholders with "own-name" registration who cannot attend the general meeting but wish to be presented thereat. Any shareholder entitled to attend and vote at the general meeting may appoint one or more persons to attend, speak and vote in place of such shareholder. A proxy so appointed need to be a shareholder of the Company. In order to be valid, duly completed forms of proxy must be received by the Company's transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 09:00 on Monday, 14 February 2011.

Ordinary shareholders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, other than by "own-name" registration, who wish to vote by way of proxy must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such shareholders and their CSDP or broker. These instructions must be provided to their CSDP or broker by the cut-off time or date advised by their CSDP or broker for instructions of this nature.

Dematerialised shareholders, other than "own-name" dematerialised shareholders, who wish to attend the general meeting, must request their CSDP or broker to provide them with a Letter of Representation or must instruct their CSDP or broker to vote by proxy on their behalf in terms of the agreement entered into between the shareholders and the CSDP.

By order of the board

S van Schalkwyk

Company Secretary

1 February 2011

Registered Office

31 Van Eck Street
Chamdor
Krugersdorp, 1741
(PO Box 1663, Krugersdorp, 1740)

Transfer Secretaries

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



WILLIAM TELL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2004/030045/06)

Share code: WTL ISIN: ZAE000098133

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FORM OF PROXY

For use by certificated and "own-name" dematerialised shareholders only at the general meeting of shareholders to be held at 31 Van Eck Street, Chamdor, Krugersdorp on Wednesday, 16 February 2011 at 09:00 ("the general meeting").

I/We (please print name in full) _____

of (address) _____

being a shareholder/s of William Tell, holding shares in the Company, hereby appoint:

1. _____ or, failing him/her,

2. _____ or, failing him/her,

3. _____ or failing him/her,

4. the chairman of the general meeting,

as my proxy to vote for me/us and on my/our behalf at the general meeting and at any adjournment thereof and to speak and act for me/us and, on a poll, vote on my/our behalf.

My/Our proxy shall vote as follows:

	Number of shares		
	In favour of	Against	Abstain
Ordinary Resolution Number 1 Increase in directors' general authority to issue shares for cash			
Ordinary Resolution Number 2 To authorise any one director or the Company Secretary to sign all documents to give effect to Ordinary Resolution number 1			

(Indicate instruction to proxy by way of a cross in the space provided above.)

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

Signed at _____ on this _____ day of _____ 2011

Signature _____

Please read the notes on the reverse side hereof.

Notes:

1. A shareholder may insert the name of a proxy or names of two alternative proxies of the shareholder's choice in the space/s provided, with or without deleting "the chairman of the general meeting", but any such deletion must be initialled by the shareholder. The person whose name stands first on this form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of the lesser number of shares than you own in the Company, insert the number of ordinary shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the general meeting as he/she deems fit in respect of the entire shareholder's votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder by his/her proxy, but the total of the votes cast and in respect thereof abstention is recorded may not exceed the total of the voted exercisable by the shareholder or by his/her proxy.
3. Forms of proxy must be received by the Company's transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by not later than 09:00 on Monday, 14 February 2011.
4. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to the form of proxy, unless previously recorded by the Company or transfer secretaries or waived by the chairman of the general meeting.
6. Any alterations or correction made to this form of proxy must be initialled by the signatory/ies.
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the Company.
8. The chairman of the general meeting may reject or accept a form of proxy which is completed and/or received, other than in accordance with these notes, if the chairman is satisfied as to the manner in which the shareholder wishes to vote.
9. The chairman of the general meeting may in the chairman's absolute discretion, accept or reject any form of proxy, which is completed, other than in accordance with these notes.
10. If required, additional forms of proxy are available from the transfer secretaries of the Company.
11. Dematerialised shareholders, other than by "own-name" registration, must NOT complete a form of proxy but must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such shareholders and their CSDP or broker.

