



sasol inzalo public limited

Registration number 2007/030646/06

notice of annual general meeting 2011

audited annual financial statements 2011

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This document is important and requires your immediate attention.

location of the annual general meeting

Tuesday, 22 November 2011 at 09:00

Exhibition Hall 1
Sandton Convention Centre
Maude Street
Sandton
Johannesburg



1

The Sandton Convention Centre is situated in **Maude Street, Sandton, Johannesburg** and is linked by skywalk to Sandton City Mall and next to Nelson Mandela Square.

GPS Co-ordinates:
S26° 06.394'/E028° 03.221'

2

The Gautrain Sandton Station is situated in the heart of the Sandton CBD. The pedestrian entrance is on **the corner of Rivonia Road and West Street**. It is a short walk to the Sandton Convention Centre from the station.

Parking is available at the Sandton Convention Centre and is accessible from **Alice Lane** between West and 5th Streets. There is also parking available in the adjacent Sandton City and Nelson Mandela Square malls.

invitation from the chairman

30 September 2011

Dear shareholder(s)

It is with great pleasure that I invite you to the Company's 2011 annual general meeting (AGM) and enclose your Notice of AGM. This year, the meeting will be held on Tuesday, 22 November 2011 at 09:00 at the Exhibition Hall 1, Sandton Convention Centre, Maude Street, Sandton, Johannesburg.

The AGM is an important event on the Sasol Inzalo Public Limited calendar and the role that you as a shareholder play is essential to its success. It is an opportunity to constructively engage with one another. Investors will be updated on the company's performance for the financial year and have a chance to ask questions and to vote on the items of business.

The Companies Act, No 71 of 2008 which came into effect on 1 May 2011, requires that at least 25% of all shareholders who are entitled to vote, must be present, either in person or by proxy, in order for a shareholders' meeting to begin. Should the requisite number of shareholders not be present or submit forms of proxies, voting on the items of business will not take place on that day. The AGM will then be postponed and take place exactly one week from the date of this AGM.

As shareholders, you have a right to vote on matters that concern your investment and, as such, I encourage you to either attend the AGM in person or submit your form of proxy. Details on how to participate in the AGM are included in this invitation. The form of proxy is attached to this booklet, alternatively you may register your proxy electronically through iProxy.

I invite you to join us at the AGM and encourage you to take advantage of this opportunity to speak with the directors. Secure parking is provided at the venue at the owner's own risk.

If you are not able to attend the meeting to vote in person, please complete the attached Form of Proxy and return it to us by mail using the enclosed business reply envelope. Alternatively, you may register your proxy appointment and voting instruction electronically via the internet through iProxy.



The Board recommends that you vote in favour of all the items of business.

I look forward to hosting you at the AGM and thank you for your ongoing interest in Sasol Inzalo Public Limited.

Your sincerely



Bheki Sibiyi
Chairman of the Board

our board of directors



Expertise and experience

Non-executive chairman

1. **Bheki Sibiya**

BAdmin, MBA

2008: Appointed to Board. 2010: Appointed as chairman

CEO of the Chamber of Mines; chairman of PPC Cement, Matador, CapAfrica Limited and Southern Mapping Geospatial.

Deputy chairperson: Tiger Brands and non-executive director: Famous Brands.

Non-executive directors

2. **Thalita Boikhutso**

BA (Hons), MA, Certified Diamond Valuator

2009: Appointed to Board

Executive chairman of African Olive Investment Holdings, an investment company with interests in, *inter alia*, transportation and logistics, mining and tourism; an executive director of African Olive Advisory Services and Premier Events Group and non-executive director of Tsebo Outsourcing Group. Previously group chief executive of Maxima Global Consulting and a director at KPMG.

Non-executive directors

3. Vuyiswa Doo

BA (Hons), MSc (Econ)

2009: Appointed to Board

Founder of Entabeni Consulting CC, a consultancy that provides organisational development, human resource management, strategic planning and policy development services; previously worked for Morse Consulting, The South African Marine Corporation Limited and London Borough of Redbridge.

Member of the Council of the University of Cape Town and chairman of the University Human Resource Committee.

4. Aisha Haroon

BCom

2008: Appointed to Board

Director of Bambanani Holdings (Pty) Ltd, an investment house, pursuing a wide portfolio of investments in different sectors.

5. Siphokazi Koyana

BA, MA, PhD

2009: Appointed to Board

Director of Aspigon Training Solutions, a Skills Development and Training consultancy; member of the academic staff at Rhodes, Pretoria, and Wits Universities. Extensive experience in research and in facilitating human capacity and fund development.

Director of Lilitha, the women's consortium of the Shanduka Group and of Amandla Esizwe Investment Holdings.

6. Louisa Mogudi

BA, MA

2010: Appointed to board

Director of Sage Wise (Training & Executive Search) responsible for, inter alia, promoting of company's offering to potential clients and devising of marketing strategy; past director of Fusion Consulting (Executive Search) and LMA Consulting (Special Projects).

Director of the South African Space Agency (SANSA); member of the HR sub-committee and member of the steering committee of the W&R Seta on International Leadership Programs.

7. Charlotte Mokoena

BSocSc, BA (Hons)

2010: Appointed to Board

Managing executive: Telkom Global Services, previously the chief executive officer: Telkom Management Services, chief of Human Resources for Telkom South Africa Limited; member of the executive committee; previously the group executive: Human Resources and group executive: Centre of Learning for Telkom South Africa Limited. Worked for Coca-Cola Company Africa Group as group capability manager.

Director of Telkom Management Services, I'sago Group Holding and 141 Witkoppen.

our board of directors *continued*

Non-executive directors

8. Dawn Mokhobo

BA

2008: Appointed to Board

Chairman of African International Advisors; Kwanda Capital Investments and Wesizwe Platinum Limited; chairman and founder of the Dawn Mokhobo Colon Cancer Foundation Trust; executive deputy chairman of Partnership Investments (Pty) Ltd; director of Altron Allied Electro Corporation Limited, Bravura Consulting (Pty) Ltd; Elatizest Investments (Pty) Ltd, Engen Limited, Gidani (Pty) Ltd, Magatar Mining SM1, Scinta South Africa (Pty) Ltd and Urban Kraal.

Previously director of Sanlam (Pty) Ltd, executive director of Eskom and chairman of The Tsebo Group, Metropolitan Life (Pty) Ltd, Long Term Ombudsman's Council and founding member of Nozala Investments.

9. Khungeka Njobe

BSc (Hons), MSc

2008: Appointed to Board. 2010: Chairman of Audit Committee

Managing director for Aveng Water; past group executive of CSIR responsible for research and development outcomes including (intellectual property management and technology transfer); human capital (including HCD); strategic communications and stakeholder relations; previously director of CSIR Water, Environment and Forestry Technology and for CSIR Natural Resources and the Environment operating units.

Past member of the board of governors of the World Water Council; chairman of South African Weather Service; member of National Advisory Council on Innovation (NACI) in South Africa and member of Safcol Board of Directors.

10. Lungisile Ntsebeza

BA, BA (Hons), MA, PhD

2009: Appointed to Board

Professor at University of Cape Town (Department of Sociology); University of Cape Town principal researcher and manager of a joint research initiative between the Department of Sociology, University of Cape Town and the Democracy and Governance Programme of the HSRC.

Holder of the National Research Foundation Chair in Land Reform and Democracy in South Africa.

11. Thandeka Zondi

BCom, CA(SA)

2010: Appointed to board

Deputy business executive for Auditor General in Cape Town; member of the South African Institute for Chartered Accountants; past business manager to the Chief Executive of Long Term Savings and Chairman of Old Mutual South Africa; senior consultant at Deloitte Consulting and audit manager at Deloitte.

Treasurer of ABASA (The Association for the Advancement of black Accountants of SA).

how to participate in the annual general meeting

The annual general meeting (AGM) is an important event on the Sasol Inzalo Public Limited calendar.

Your participation is important. It provides an update for investors on performance for the financial year and offers an opportunity for you to ask questions and vote on the items of business.

Important information on how you can participate in the AGM is set out below:

Registration

Shareholders attending the AGM are asked to register at the registration desk in the reception of the Sandton Convention Centre. Signage will be in place within the Sandton Convention Centre to direct you to the venue. Before any person may attend or participate in the AGM, the person must present reasonably satisfactory personal identification. Without limiting the generality thereof, the company will accept a valid South African identity document, a valid driver's licence or a valid passport as satisfactory means of personal identification.

Shareholders wishing to attend are advised to be inside Exhibition Hall 1 no later than 09:00. The meeting will commence with a presentation of the Sasol Limited financial results for the year ended 30 June 2011 and a short information session, informing shareholders of the translation services and the electronic voting process to be used at the meeting.

Please note that the registration desk, at which shareholders will register to vote at this meeting on Tuesday, 22 November 2011, will close at 08:45.

Shareholder queries

A shareholder information stand will be available in the foyer at the meeting.

Electronic participation through teleconferencing

Shareholders entitled to attend and vote at the meeting, or proxies of such shareholders, shall be entitled to participate in the meeting by electronic communication. Should a shareholder wish to participate in the meeting by teleconference, the shareholder concerned should advise the company thereof by Tuesday, 15 November 2011. The notice must be addressed to the transfer secretary with relevant contact details as well as full

details of the shareholder's title to shares issued by the company. Proof of identity, in the form of certified copies of identity documents will be required, as well as written confirmation from the transfer secretary confirming the shareholders' title to the shares. Upon receipt of the required information, the shareholders concerned will be provided with a secure code and instructions to access the electronic communication during the AGM. Shareholders must note that access to electronic communication will be at the expense of the shareholders who wish to utilise the facility.

iProxy

Shareholders may also use an online proxy voting facility to complete their form of proxy. This online proxy is free of charge and is available, on the internet. To make use of the online proxy, shareholders are required to register for the service, via the website at www.sasol.com. At this site, shareholders will also be able to view a demonstration of the online proxy voting process.

notice of annual general meeting

sasol inzalo public limited
Registration number 2007/030646/06
("Sasol Inzalo" or the "Company")

This document is important and requires your immediate attention.

This document is addressed to all holders of Sasol Inzalo Public Limited ordinary shares ("the shareholders") and to any persons who are not shareholders but who are entitled to exercise any voting rights in relation to the resolutions to be proposed at the annual general meeting (collectively the "holders" or "you") as at the record date of 11 November 2011.

Section 63(1) of the Companies Act, No 71 of 2008, requires that meeting participants provide satisfactory identification. The Company will regard presentation of an original of a meeting participant's valid driver's license, identity document or passport to be satisfactory identification.

If you are in any doubt as to what action you should take arising from this document, please immediately consult your broker, banker, attorney, accountant or other appropriate professional advisor.

Action required:

1. If you are unable to attend the annual general meeting and wish to be represented thereat, you must complete and return the attached form of proxy in accordance with the instructions therein and lodge it with the transfer secretary, whose details are contained on page 11. You may appoint one person as a proxy or more persons concurrently as proxies, and you may appoint more than one proxy to exercise voting rights attached to different securities held by you. Note that a proxy need not be a person entitled to vote at the annual general meeting.
2. If you have disposed of all of your Sasol Inzalo securities, this document should be handed to the purchaser of such Sasol Inzalo securities or to the broker, banker, attorney, accountant or other person through whom the disposal was effected.

You or your proxy/ies, may participate in all or a part of the annual general meeting by electronic means. For this purpose, you are advised that a teleconference facility will be available, at your cost, for the duration of the annual general meeting.

Holders who confirm their intention to participate via teleconference will be provided with a secure code and instructions to access the electronic communication during the annual general meeting.

NOTICE is hereby given that the 4th annual general meeting of holders will be held on 22 November 2011, commencing at 09:00 in Exhibition Hall 1, Sandton Convention Centre, Maude Street, Sandton, Johannesburg, for the general purpose of conducting the following business:

1. Presentation of the following to the Holders (included in the document of which this notice forms a part):

- a. Directors' report;
- b. Audited annual financial statements for the financial year ended 30 June 2011; and
- c. Report of the Audit Committee.

The audited annual financial statements for the financial year ended 30 June 2010 are available on www.sasol.com

2. Consideration of the Special Resolution and, if deemed fit, passing the resolution with or without modification and as set out more fully in this notice:

Special Resolution Number 1

Authority be granted to the Board to authorise the Company to provide direct or indirect financial assistance by way of a loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any juristic person that the Company directly or indirectly controls, or any person that is or becomes related or inter-related to the Company for any purpose.

3. Consideration of the following Ordinary Resolutions and, if deemed fit, passing the resolutions with or without modification and as set out more fully in this notice:

3.1 Ordinary Resolution Number 1

Appointment of KPMG Inc as auditor of the Company to hold office for the ensuing financial year.

3.2 Ordinary Resolution Numbers 2 to 5

Re-election of the following directors of the Company in terms of article 11.3.2 and 11.3.2.1 of the Company's Memorandum of Incorporation:

Ms Thalita Boikhutso
Ms Vuyiswa Doo
Dr Siphokazi Koyana
Prof Lungisile Ntsebeza

3.3 Ordinary Resolution Numbers 6 to 10

Election of the following persons, nominated by the Board, as directors of the Company:

Mr Naeem Adam
Mr Lulamile Mbete
Ms Ndumi Medupe
Ms Merafe Moloto
Mr Siphesihle Shelemba

3.4 Ordinary Resolution Numbers 11 to 13

Election of the following directors as the members of the Company's Audit Committee:

Ms Charlotte Mokoena
Ms Khungeka Njobe
Ms Thandeka Zondi

Special Resolution Number 1

Loans or other financial assistance to related and inter-related companies and corporations

"**RESOLVED THAT** the Board is authorised, as it in its discretion thinks fit, but subject to compliance with the requirements of the Memorandum of Incorporation¹ and the Companies Act, No 71 of 2008 (the Act), to provide direct or indirect financial assistance by way of a loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any juristic person that the Company directly or indirectly controls, or any person that is or becomes related or inter-related to the Company for any purpose, subject to the Board being authorised to determine at the relevant time whether to make such financial assistance available on an interest-free or market-related basis.

The Board will, before making any such financial assistance available, satisfy itself that:

1. immediately after providing the financial assistance, the Company will satisfy the solvency and liquidity test in the Act; and
2. the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company and the Board will determine whether such financial assistance will be made available on an interest-free or market-related basis.

Such authority shall endure for 2 (two) years following the date on which this special resolution is passed."

Reason for and effect of special resolution number 1

This resolution is proposed in order to comply with the requirements of section 45 of the Act, to the extent that, on a proper interpretation, that section requires any financial assistance by the Company to its related and inter-related companies and corporations to first be approved by special resolution of its holders. Section 45 of the Act provides, *inter alia*, that financial assistance which is provided to a company that is related or inter-related to the Company must be approved by a special resolution of the holders, adopted within the previous 2 (two) years.

¹ Clauses 6.2.3 and 6.2.4 of the Company's existing memorandum of association provide that, until the end of the Empowerment Period, the prior written approval of each member of the Board, the holder of the preference share in the Company and the holders of the Preference Shares (issued by Sasol Inzalo Public Funding (Pty) Ltd) is required prior to:

"6.2.3 encumbering...ownership of the Sasol Inzalo Public Funding Ordinary Shares other than as contemplated in the agreements contemplated in clauses 6.2.7 and 6.2.8;

6.2.4 making any loans, granting any credit or giving of any guarantee, insurance or indemnity to or for the benefit of any person or otherwise voluntarily assuming any liability, whether actual or contingent, in respect of any obligation of any other Person."

notice of annual general meeting *continued*

Special resolution number 1 authorises the provision of financial assistance, whether by way of a loan, or the provision of security, or otherwise to any company that is related or inter-related to the Company for any purpose subject to compliance with the Act and the Company's Memorandum of Incorporation.

Ordinary Resolutions

Ordinary Resolution Number 1 Appointment of Auditor

To re-appoint KPMG Inc, who has been nominated for re-appointment as auditor of the Company by the audit committee in terms of section 94(7)(a) of the Companies Act, No 71 of 2008 (the Act) as the auditor of the Company in terms of section 90(1) of the Act.

The audit committee confirms that the re-appointment of KPMG Inc as auditor will comply with all the applicable requirements of the Act with respect to the appointment and qualification of an auditor.

Ordinary Resolution Numbers 2 to 5 Re-election of retiring directors

Ms Thalita Boikhutso, Ms Vuyiswa Doo, Dr Siphokazi Koyana and Prof Lungisile Ntsebeza retire as directors of the Company in accordance with article 11.3.2 of the Company's existing Memorandum of Incorporation and, being eligible for re-election as directors of the Company in terms of article 11.3.2.3 of the Company's existing Memorandum of Incorporation, offered themselves for re-election by the holders. *Curricula vitae* for these persons appear on pages 2 to 4. The Board recommends the re-election of the retiring directors.

Accordingly, holders are requested to consider and, if deemed fit, to re-elect **Ms Thalita Boikhutso, Ms Vuyiswa Doo, Dr Siphokazi Koyana and Prof Lungisile Ntsebeza**, each by way of a separate vote, as set out below:

Ordinary Resolution Number 2

Re-election of Ms Thalita Boikhutso as a director of the Company.

Ordinary Resolution Number 3

Re-election of Ms Vuyiswa Doo as a director of the Company.

Ordinary Resolution Number 4

Re-election of Dr Siphokazi Koyana as a director of the Company.

Ordinary Resolution Number 5

Re-election of Prof Lungisile Ntsebeza as a director of the Company.

Ordinary Resolution Numbers 6 to 10 Election as directors

Mr Naeem Adam, Mr Lulamile Mbete, Ms Ndumi Medupe, Ms Merafe Moloto and Mr Siphesihle Shelemba have been nominated, in terms of article 11.3.1.1 of the Company's exiting Memorandum of Incorporation, by the board of directors of the Company for election as directors of the Company by holders and have accepted their nominations in writing. *Curricula vitae* for these persons appear on page 10.

In terms of article 11.1 the number of directors shall not be less than 5 (five) and not more than 11 (eleven). If all the directors who retired in terms of article 11.3.2 are re-elected, there will be no vacancies on the board and resolutions 6 to 10 will be withdrawn. Should there be vacancies on the board of directors at the time of the meeting, the nominee(s) that received the highest number of votes will be deemed elected to serve as director(s).

Holders are requested to consider for election and, if deemed fit, elect as directors of the Company, each by way of separate vote, the following persons nominated by the board of directors of the Company:

Ordinary Resolution Number 6

Election of Mr Naeem Adam as a director of the Company.

Ordinary Resolution Number 7

Election of Mr Lulamile Mbete as a director of the Company.

Ordinary Resolution Number 8

Election of Ms Ndumi Medupe as a director of the Company.

Ordinary Resolution Number 9

Election of Ms Merafe Moloto as a director of the Company.

Ordinary Resolution Number 10

Election of Mr Siphesihle Shelemba as a director of the Company.

Ordinary Resolution Numbers 11 to 13

Election of the audit committee

To elect, each by way of a separate vote, **Ms Charlotte Mokoena, Ms Khungeka Njobe and Ms Thandeka Zondi** as members of the audit committee of the Company. They have been nominated, in terms of section 94(2) of the Companies Act, No 71 of 2008 (the Act), by the Board of the Company for election as members of the Company's audit committee.

The Board has reviewed the proposed composition of the audit committee against the requirements of the Act and the Regulations under the Act and has confirmed that if all the individuals referred to above are elected, the committee will comply with the relevant requirements, and have the necessary knowledge, skills and experience to enable it to perform its duties in terms of the Act.

Ordinary Resolution Number 11

Election of Ms Charlotte Mokoena as a member of the Company's audit committee.

Ordinary Resolution Number 12

Election of Ms Khungeka Njobe as a member of the Company's audit committee.

Ordinary Resolution Number 13

Election of Ms Thandeka Zondi as a member of the Company's audit committee.

By order of the Board

Sasol Group Services (Pty) Ltd
Company Secretary

30 September 2011

brief biographies of nominees



1. **Mr Naeem Adam**

BCom, Post-Grad (Management Accounting) Associated Chartered Management Accountant

Mr Adam is the Chief Financial Officer for Batsalani responsible for review and oversight of financial control, optimisation of current investments and evaluation of new investments as well as risk oversight across his portfolio.

He was previously employed by Unilever as Commercial Manager and Quality Products (Pty) Ltd with full financial control and oversight of business. He also held several positions within Eskom.

2. **Mr Lulamile Mbete**

MBA

Mr Mbete is the Chairman of FutureLead, having previously held a number of senior positions in the public sector. He is an experienced Human Resources practitioner and focuses mainly in the areas of human resources processes and systems, labour relations, conflict management, organisational development and change management.

He has served, *inter alia*, as Commissioner of the Public Service Commission in the Gauteng Province, Director-General: Gauteng Province, Chairperson of Human Resources Committee of the Board of South African Weather Services and Interim Executive Director of Human Resources at the University of the Witwatersrand.



3. **Ms Ndumi Medupe**

BAcc, CA(SA)

Ms Medupe is the founding Director of Indyebo Consulting. The firm provides forensic, risk management, internal auditing and compliance services.

She was previously employed by Vodacom as Financial Manager and MTN as Business Analyst. She previously also held the position of Director: Financial Planning and Budgeting at the Gauteng Department of Finance responsible for a R16bn budget and General Manager, Finance and then later Acting Financial Director of Johannesburg City Parks, one of the Johannesburg Metro Council municipal entities.

She serves on the boards of PetroSA and City Lodge.



4. **Ms Merafe Moloto**

BA, MBA

Ms Moloto is the CEO – Motseng Concessions: Public-Private Infrastructure Investment responsible for the commercial performance and viability of Motseng Concessions and the management and compliance involved in all legal obligations, operational deliverables and financial covenants. She is also the co-founder of Financial and Strategic Consulting Services.

She previously held the position of Senior Manager, Standard Bank (Principal Investment Division, Private Equity), Associate with Merrill Lynch & Co in New York and Corporate Development, Relationship Manager & Sales Executive with Y-MERGE (later acquired by SNL Financial).



5. **Mr Siphesihle Shelemba**

BCom (Acc), Certified Theory in Accounting

Mr Shelemba is a transactor at Principal Investments in the Investment Banking division of RMB responsible for performing company valuations, writing investment proposals and modelling.

He previously worked for Standard Bank Private Equity where he evaluated investment opportunities and developed appropriate investment theses and funding structures for mid-market companies operating in South Africa.



holder information

We have reserved 0800 000 222 as our information helpline.

The inbound telephone helpline will enable holders to obtain information regarding the meeting and to provide assistance with completion of the form of proxy.

Holders may also send an e-mail to: proxy@computershare.co.za

Transfer secretary

Computershare Investor Services (Pty) Ltd
70 Marshall Street, Johannesburg, 2001
Republic of South Africa
PO Box 61051, Marshalltown, 2107
Republic of South Africa
Information helpline 0800 000 222
Telefax +27 (0) 11 688 5238

Company registration number

2007/030646/06

Addresses

Business address and registered office

1 Sturdee Avenue, Rosebank, 2196
Republic of South Africa

Postal and electronic addresses and telecommunication numbers

PO Box 5486, Johannesburg, 2000
Republic of South Africa
Telephone +27 (0) 11 441 3111
Telefax +27 (0) 11 788 5092
Website: www.sasol.com

notes to notice of annual general meeting

1. In the event that a holder is unable to attend the annual general meeting in person, the holder is entitled to appoint one or more proxies to attend, participate in and vote at the annual general meeting in the place of the holder. A proxy is not required to be a holder of the Company.
2. A proxy may be appointed by completing the form attached hereto marked "**form of proxy**".
3. Before any person may attend or participate in the annual general meeting, the person must present reasonably satisfactory personal identification. Without limiting the generality thereof, the Company will accept the following as satisfactory means of personal identification: a valid South African identity document, a valid driver's licence or a valid passport.
4. Sufficient persons must be present at the annual general meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on at least one matter to be decided at the meeting, provided that if the Company has more than two holders, at least three holders must be present at the annual general meeting.
5. It is recorded that, in accordance with section 63(6) of the Act, if voting on a particular matter is by polling, a holder or a proxy for a holder has the number of votes determined in accordance with the voting rights associated with the securities held by that holder.
6. Documentary evidence establishing the authority of a person attending the annual general meeting on behalf of a holder in a representative capacity, or signing the form of proxy in a representative capacity (for example, a certified copy of a duly passed directors' resolution in the case of a holder which is a company, a certified copy of a duly passed members' resolution in the case of a holder which is a close corporation and a certified copy of a duly passed trustees' resolution in the case of a holder who/which is/are trustee(s) of a trust) must be presented to the person presiding at the annual general meeting or attached to the form of proxy (as the case may be), and shall thereafter be retained by the Company.

executive summary

Performance for the financial year

Through the Sasol Inzalo Black Economic Empowerment transaction, initiated in June 2008, Sasol Inzalo Public Limited indirectly through its subsidiary Sasol Inzalo Public Funding (Pty) Ltd (comprising the group) holds 16 085 199 Sasol preferred ordinary shares. The shares were subscribed for at R366,00 per share. The total investment was R5 887 million. This investment was funded by way of an equity contribution from the shareholders of R371 million and preference share funding (including preference shares subscribed for in Sasol Inzalo Public Funding (Pty) Ltd by Sasol Limited), to the value of R5 556 million.

Income statement

The income of the group is made up of dividends received from Sasol Limited of R257 million (2010: R258 million), at a dividend per share of R16 per annum.

Expenses of the group are made up of the following items:

- Agency fee payable to the Standard Bank of Southern Africa of R1 million (2010: R1 million);
- KPMG audit fees of R99 034 (2010: R116 973); and
- Finance expenses related to long-term debt, of R507 million (2010: R520 million).

The group recorded a net loss of R251 million (2010: net loss of R264 million). The net loss for 2011 is lower than that of 2010 due to lower finance expenses incurred as the variable interest rates on these preference shares reduced from 7,3% in 2010 to 6,57% in 2011.

Statement of financial position

The investment of the 16 085 199 Sasol preferred ordinary shares was revalued at the closing market price of R355,98 (2010: R274,60) per Sasol Limited ordinary share as at 30 June 2011, to a value of R5 726 million (2010: R4 417 million) in line with the group's accounting policy on investment in Sasol Limited.

The value of the investment in Sasol Limited is R161 million (2010: R1 470 million) below cost price of R5 887 million. A deferred tax asset to the value of R23 million (2010: R206 million) is recognised relating to the revaluation. The net balance on the investment fair value reserve amounts to a negative R138 million (2010: negative R1 264 million).

The balance of the long-term and short-term debt amounts to R6 381 million (2010: R6 130 million). In terms of the financing agreement entered into with the preference share funders, 50% of the A preference shares will be redeemed over the period 2009 to 2019. The balance of the A, B, C and D preferences shares will be redeemed in full at the end of the empowerment period¹ out of the proceeds from the sale of the Sasol preferred ordinary shares.

The negative shareholders' equity of R630 million (2010: negative R1 505 million) consists of an accumulated loss of R863 million (2010: accumulated loss of R612 million), a negative fair value reserve of R138 million (2010: negative R1 264 million) and share capital of R371 million.

Cash flow management

The group generated sufficient cash from dividends received on the investment in Sasol Limited to fund operating activities, finance expenses and to repay long-term debt during the year. Cash retained from operating activities amounted to R12 million (2010: R13 million).

1. A period of ten years commencing on 8 September 2008.

audited annual financial statements

for the year ended 30 June 2011

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preparer of the audited annual financial statements

Mr ML Mukwevho, CA(SA), FCMA, general manager finance: chief financial officer of Sasol Group Services (Pty) Ltd, is responsible for this set of financial statements and has supervised the preparation thereof in conjunction with Mr JW Bartman, senior manager finance, Sasol Group Services (Pty) Ltd.

report of the audit committee

The audit committee is pleased to submit this report in respect of the 2011 financial year to the shareholders of Sasol Inzalo Public Limited (the company). This report incorporates the requirements of section 94 of the Companies Act, No 71 of 2008, as amended (the Act), the King Code of Governance in South Africa 2009 (King III) and section 270A of the Companies Act, No 61 1973 as amended (to the extent still applicable).

During the year under review the audit committee was comprised as follows:

Ms K Njobe (Chairman with effect from 1 July 2010)
Ms TP Zondi (appointed with effect from 16 March 2011)
Ms A Haroon (resigned with effect from 1 July 2010)
Ms B Ngonyama (resigned with effect from 21 September 2010)

1. Duties of the audit committee

The audit committee has executed its duties and responsibilities during the financial year in accordance with its terms of reference and the Act, subject to the terms of the Governing Agreement entered into between Sasol Limited, Sasol Inzalo Public Limited, Sasol Inzalo Public Funding (Pty) Ltd and The Sasol Inzalo Public Facilitation Trust on 15 May 2008.

The audit committee's duties include statutory and corporate governance duties, duties assigned to it by the Sasol Inzalo Public Limited board (the board) in the approved terms of reference and duties delegated to the audit committee from time to time.

2. Execution of duties and functions of the audit committee

In satisfying its statutory duties as well as the functions delegated to it by the board, the audit committee in particular:

- nominated, as required in terms of the Act and agreed in terms of the Governing Agreement, for appointment KPMG Inc as auditor of the company and Ms G Motau as the designated auditor;
- assessed the independence of the auditor in accordance with the provisions of the Act and is satisfied that KPMG Inc and the designated auditor is independent of the company;
- determined the fees to be paid to KPMG Inc as well as KPMG's terms of engagement;

- ensured that the appointment of the auditor complies with the provisions of the Act and any other legislation relating to the appointment of auditors;
- determined, subject to the provisions of the Act, the nature and extent of any non-audit services which KPMG Inc may provide to the group and pre-approved all proposed contracts with KPMG Inc for the provision of non-audit services to the group;
- received and dealt with complaints (whether from within or outside the company) relating either to the accounting practices and internal audit of the group, or to the content or auditing of its group financial statements, or to any related matter;
- reviewed the group's risk management plan and processes;
- considered compliance (legal and regulatory) requirements and reviewed the internal control environment; and
- reviewed the internal audit plan and considered internal audit reports.

3. Conclusion

The audit committee is satisfied that it has complied with all its statutory and other responsibilities assigned to it.

Following our review and having had regard to all material factors and risks that may impact on the integrity of the group's financial statements, we recommend that the annual financial statements of Sasol Inzalo Public Limited and the group annual financial statements for the year ended 30 June 2011 be approved by the board of directors and placed before the shareholders of the company.

On behalf of the audit committee



K Njobe
Chairman

20 September 2011

statement by the directors

The directors are responsible for the preparation and fair presentation of the group annual financial statements and the annual financial statements of Sasol Inzalo Public Limited, comprising the statements of financial position at 30 June 2011, income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report in accordance with International Financial Reporting Standards and in the manner required by the South African Companies Act.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement,

whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the group's ability to continue as a going concern and there is no reason to believe the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

approval of the audited annual financial statements

The audited annual financial statements for the year ended 30 June 2011 as identified in the first paragraph and set out on pages 19 to 41 were approved by the board of directors on 20 September 2011 and are signed on its behalf by:

 

K Njobe
Director

S Koyana
Director

certificate of the company secretary

In my capacity as the company secretary, I hereby confirm, in terms of section 88(1)(e) of the Companies Act, No 71 of 2008, as amended, that for the year ended 30 June 2011 Sasol Inzalo Public Limited has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act, No 61 of 1973 or the Companies Act, No 71 of 2008, as applicable, and that all such returns are, to the best of my knowledge and belief, true, correct and up to date.



M du Toit
for Sasol Group Services (Pty) Ltd
Company Secretary

20 September 2011

independent auditor's report

To the shareholders of Sasol Inzalo Public Limited

Report on the financial statements

We have audited the group annual financial statements and the separate annual financial statements of Sasol Inzalo Public Limited, which comprise the statements of financial position at 30 June 2011 and the income statements, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 19 to 41.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the group and separate financial position of Sasol Inzalo Public Limited at 30 June 2011, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

KPMG Inc
Registered Auditor



Per **Grathel Motau**
Chartered Accountant (SA)
Registered Auditor
Director

20 September 2011

85 Empire Road
Parktown
2193

directors' report

for the year ended 30 June 2011

The directors have pleasure in presenting their report for the year ended 30 June 2011. This report forms part of the audited annual financial statements.

Nature of business

During May 2008, the shareholders of Sasol Limited approved the Sasol Inzalo share transaction, a broad-based black economic empowerment (BEE) transaction, which resulted in the transfer of beneficial ownership of approximately 10% (63 079 214 shares) of Sasol Limited's issued share capital, before the implementation of this transaction, to its employees and a wide spread of BEE participants. This transaction will provide long-term sustainable benefits to all participants and has a tenure of ten years. The transaction was introduced to assist Sasol Limited, as a major participant in the South African economy, in meeting its empowerment objectives.

The main business of the group is to acquire and hold shares in Sasol Limited on behalf of the members of the black public. The principal activities of the company remained unchanged during the year.

Share capital

The authorised and issued share capital of the group remained unchanged during the year. This is consistent with the previous year.

Directorate

Mr B L Sibiyi was appointed as chairman on 21 September 2010. Mss L Mogudi, C K Mokoena and T P Zondi were appointed as directors with effect from 19 November 2010.

Ms B Ngonyama and Mr R T Nhlapo resigned as directors with effect from 19 November 2010. Ms T Modikoe was not nominated for re-election on 19 November 2010. The composition of the board of directors is given on pages 2 to 4.

Subsequent events

There has not been any item, transaction or event between 30 June 2011 and the date of this report that could significantly affect the operations of the group.

Company secretary

Sasol Group Services (Pty) Ltd is the company secretary of Sasol Inzalo Public Limited and its subsidiary and its addresses are:

Postal address

PO Box 5486
Johannesburg
2000
Republic of South Africa

Physical address

1 Sturdee Avenue
Rosebank
2196
Republic of South Africa

Registered office

The registered office addresses of the company are:

Postal address

PO Box 5486
Johannesburg
2000
Republic of South Africa

Physical address

1 Sturdee Avenue
Rosebank
2196
Republic of South Africa

accounting policies and financial reporting terms

Sasol Inzalo Public Limited is domiciled in the Republic of South Africa. The following principal accounting policies were applied by the group for the financial year ended 30 June 2011. Except as otherwise disclosed, these policies are consistent in all material respects with those applied in previous years.

Financial reporting terms

These definitions of financial reporting terms are provided to ensure clarity of meaning as certain terms may not always have the same meaning or interpretation in all countries.

Group structures

| | |
|------------------------|---|
| Company | A legal business entity registered in terms of the applicable legislation of that country. |
| Entity | Sasol Inzalo Public Limited or a subsidiary of Sasol Inzalo Public Limited. |
| Group | The group comprises Sasol Inzalo Public Limited and its subsidiary, Sasol Inzalo Public Funding (Pty) Ltd. |
| Subsidiary | Any entity over which the company has the power to exercise control. |
| Special purpose entity | An entity established to accomplish a narrow and well defined objective, including the facilitation of the group's (being the Sasol Limited group) black economic empowerment transactions. |

General accounting terms

| | |
|---|--|
| Acquisition date | The date on which control in a subsidiary commences. |
| Consolidated group financial statements | The financial results of the group comprise the financial results of Sasol Inzalo Public Limited and its subsidiary. |
| Control | The ability, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain economic benefit from its activities. When assessing the ability to control an entity, the existence and effect of potential voting rights that are presently exercisable or convertible are taken into account. |
| Disposal date | The date on which control in a subsidiary ceases. |
| Discount rate | The rate used for purposes of determining discounted cash flows defined as the yield on relevant South African Government bonds that have maturity dates approximating the term of the related cash flows. This pre-tax interest rate reflects the current market assessment of the time value of money. To the extent that, in determining the cash flows, the risks specific to the asset or liability are taken into account in determining those cash flows, they are not included in determining the discount rate. |
| Fair value | The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. |
| Financial results | Comprise the financial position (assets, liabilities and equity), results of operations (revenue and expenses) and cash flows of the entity and of the group. |
| Functional currency | The currency of the primary economic environment in which the entity operates, which is the South African rand. |
| Long-term | A period longer than twelve months from the reporting date. |
| Other comprehensive income | Comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement and includes the effect of translation of foreign operations, cash flow hedges, available-for-sale financial assets and changes in revaluation reserves. |

General accounting terms *continued*

| | |
|-----------------------|---|
| Presentation currency | The currency in which financial results of an entity is presented, which is the South African rand. |
| Prolonged decline | A decline in the fair value of an investment in an equity instrument below its cost for a minimum period of three continuous years. |
| Recoverable amount | The amount that reflects the greater of the fair value less costs to sell and value in use that can be attributed to an asset as a result of its ongoing use by the entity. In determining the value in use, expected future cash flows are discounted to their present values using the discount rate. |
| Related party | Parties are considered to be related if one party directly or indirectly has the ability to control or jointly control the reporting entity (Sasol Inzalo Public Limited) or exercise significant influence over the reporting entity or is a member of the key management of the reporting entity. |
| Significant decline | A decline of 33% in the fair value of an investment in an equity instrument below its cost at the reporting date. |
| Revenue | Comprises dividends received and interest received. |

Financial instrument terms

| | |
|------------------------------------|---|
| Available-for-sale financial asset | <p>A financial asset that has been designated as available-for-sale or a financial asset other than those classified as loans and receivables, held-to-maturity investments or derivative instruments.</p> <p>An investment intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, is classified as a non-current available-for-sale financial asset.</p> |
| Cash and cash equivalents | Comprise cash on hand, restricted cash, demand deposits and other short-term highly liquid investments with a maturity period of three months or less at date of purchase. |
| Derivative instrument | <p>A financial instrument:</p> <ul style="list-style-type: none"> • whose value changes in response to movements in a specified interest rate, commodity price, foreign exchange rate or similar variable; • that requires minimal initial net investment; and • whose terms require or permit settlement at a future date. |
| Effective interest rate | The derived rate that discounts the expected future cash flows to the current net carrying amount of the financial asset or financial liability. |
| Equity instrument | Any financial instrument (including investments) that evidences a residual interest in the assets of an enterprise after deducting all of its liabilities. |
| Financial asset | Cash or cash equivalents, a contractual right to receive cash, an equity instrument or a contractual right to exchange a financial instrument under favourable conditions. |
| Financial liability | A contractual obligation to pay cash or transfer other benefits or an obligation to exchange a financial instrument under unfavourable conditions. This includes debt. |
| Financial guarantee | A contract that requires an issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of the debt instrument. |
| Monetary asset | An asset which will be settled in a fixed or determinable amount of money. |
| Monetary liability | A liability which will be settled in a fixed or determinable amount of money. |
| Transaction date | The date an entity commits itself to purchase or sell a financial instrument. |

accounting policies and financial reporting terms *continued*

Statement of compliance

The consolidated financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) and Interpretations of those standards, as issued by the International Accounting Standards Board and applicable legislation. The consolidated financial statements were approved for issue by the board of directors on 20 September 2011 and will be presented to the annual general meeting of shareholders on 22 November 2011.

During the current financial year, the following accounting standards, interpretations and amendments to published accounting standards were adopted:

- Various improvements to IFRSs.

The following accounting standards, interpretations and amendments to published accounting standards were adopted prior to their effective dates:

- IFRS 7 (Amendments), Financial Instruments: Disclosure – Transfer of Financial Assets;
- IFRS 13, Fair Value Measurement;
- IAS 12 (Amendments), Deferred Tax : Recovery of Underlying Assets; and
- Various improvements to IFRSs.

These newly adopted standards did not significantly impact the financial results.

The following accounting standards, interpretations and amendments to published accounting standards which are relevant to the group but not yet effective, have not been adopted in the current year:

- IFRS 9, Financial Instruments;
- IFRS 10, Consolidated Financial Statements;
- IFRS 12, Disclosure of Interests in Other Entities; and
- IAS 27 (Amendments), Separate Financial Statements.

Principal accounting policies

1. Basis of preparation of financial results

The consolidated financial statements are prepared using the historic cost convention except that, as set out in the accounting policies below, certain items, including available-for-sale financial assets, are stated at fair value.

The consolidated financial statements are prepared on the going concern basis.

Except as otherwise disclosed, these accounting policies are consistent with those applied in previous years.

These accounting policies are consistently applied throughout the group.

2. Basis of consolidation of financial results

The consolidated financial statements reflect the financial results of the group. All financial results are consolidated with similar items on a line-by-line basis, except for investment in subsidiary, which are included in the company's results as set out below.

Inter-company transactions, balances and unrealised gains and losses between entities are eliminated on consolidation. To the extent that a loss on a transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss of a non-current asset, that loss is charged to the income statement.

Subsidiary. The financial results of the subsidiary are consolidated into the group's results from acquisition date until disposal date. The existence of potential voting rights that are currently exercisable or convertible are also considered when assessing whether the group controls another entity.

3. Financial assets

The group classifies its financial assets into the following categories:

- available-for-sale financial assets; and
- derivative instruments (set out below).

The classification is dependent on the purpose for which the financial asset is acquired. Management determines the classification of its financial assets at the time of the initial recognition and re-evaluates such designation at least at each reporting date.

Financial assets are recognised on transaction date when the group becomes a party to the contracts and thus obtains rights to receive economic benefits and are derecognised when these rights expire or are transferred.

3. Financial assets continued

Financial assets with the exception of those held at fair value through profit or loss are stated initially on transaction date at fair value including transaction costs. Available-for-sale financial assets are subsequently stated at fair value at the reporting date.

Unrealised gains and losses arising from revaluation of available-for-sale financial assets are recognised as other comprehensive income and included in the investment fair value reserve. On disposal or impairment of available-for-sale financial assets, cumulative unrealised gains and losses previously recognised in other comprehensive income are included, respectively, in determining the profit or loss on disposal of, or impairment charge relating to, that financial asset, which is recognised in the income statement.

The fair values of financial assets are based on quoted bid prices or amounts derived using a discounted cash flow model. Fair values for unlisted equity securities are estimated using methods reflecting the specific economic circumstances of the investee which would affect the market value of those securities. Equity investments for which fair values cannot be measured reliably are recognised at cost less impairment losses.

Premiums or discounts arising from the difference between the fair value of a financial asset and the amount receivable at maturity date are charged to the income statement based on the effective interest rate method.

An assessment is performed at each reporting date to determine whether objective evidence exists that a financial asset is impaired. In the case of available-for-sale financial assets, a significant or prolonged decline in the fair value of the asset below its cost is considered an indicator of impairment. If any such evidence exists, the cumulative loss is removed as other comprehensive income from the investment fair value reserve and recognised in the income statement. Impairment losses charged to the income statement on available-for-sale financial assets are not reversed.

Financial assets and liabilities are offset and the net amount presented when the group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4. Financial liabilities

Financial liabilities are recognised on the transaction date when the group becomes a party to a contract and thus has a contractual obligation and are

derecognised when these contractual obligations are discharged, cancelled or expired.

Financial liabilities are stated initially on the transaction date at fair value including transaction costs. Subsequently, they are stated at amortised cost using the effective interest rate method.

Financial assets and liabilities are offset and the net amount presented when the group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

5. Derivative financial instruments

All derivative financial instruments are initially recognised at fair value and are subsequently stated at fair value at the reporting date. Attributable transaction costs are recognised in the income statement when incurred. Resulting gains or losses on derivative instruments, excluding designated and effective hedging instruments, are recognised in the income statement.

The group is exposed to market risks from changes in interest rates. The group uses derivative instruments to hedge its exposure to these risks. To the extent that a derivative instrument has a maturity period of longer than one year, the fair value of these instruments will be reflected as a non-current asset or liability. The group does not apply hedge accounting.

When derivatives are entered into as fair value hedges, no hedge accounting is applied. All gains and losses on such contracts are recognised in the income statement.

6. Cash and cash equivalents

Cash and cash equivalents are stated at carrying value which is deemed to be fair value. Bank overdrafts are offset against cash and cash equivalents in the statement of cash flows.

7. Share capital

Issued share capital is stated in the statement of changes in equity at the amount of the proceeds received less directly attributable issue costs.

8. Preference shares

Preference shares are classified as liabilities if they are redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are charged to the income statement as a finance expense based on the effective interest rate method.

accounting policies and financial reporting terms *continued*

9. Debt

Debt, which constitutes a financial liability, includes short-term and long-term debt. Debt is initially recognised at fair value, net of transaction costs incurred and is subsequently stated at amortised cost. Debt is classified as short term unless the borrowing entity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Debt is derecognised when the obligation in the contract is discharged, cancelled or has expired. Premiums or discounts arising from the difference between the fair value of debt raised and the amount repayable at maturity date are charged to the income statement as finance expenses based on the effective interest rate method.

10. Taxation

The income tax charge is determined based on net income before tax for the year and includes deferred tax and secondary taxation on companies.

Current tax. The current tax charge is the calculated tax payable on the taxable income for the year using enacted or substantively enacted tax rates and any adjustments to tax payable in respect of prior years.

Deferred tax. Deferred tax is provided for using the liability method, on all temporary differences between the carrying amount of assets and liabilities for accounting purposes and the amounts used for tax purposes and on any tax losses.

The provision for deferred tax is calculated using enacted or substantively enacted tax rates at the reporting date that are expected to apply when the asset is realised or liability settled. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can be realised.

The provision of deferred tax assets and liabilities reflects the tax consequences that would follow from the expected recovery or settlement of the carrying amount of its assets and liabilities.

Secondary taxation on companies (STC).

STC is recognised as part of the current tax charge in the income statement when the related dividend is declared. When dividends received in the current year can be offset against future dividend payments to reduce the STC liability, a deferred tax asset is recognised to the extent of the future reduction in STC.

11. Revenue

Revenue is recognised at the fair value of the consideration received or receivable and consists primarily of dividends received and interest received.

Revenue is recognised when the following criteria are met:

- evidence of an arrangement exists;
- delivery has occurred or services have been rendered and the significant risks and rewards of ownership have been transferred to the purchaser;
- transaction costs can be reliably measured;
- the selling price is fixed or determinable; and
- collectability is reasonably assured.

The timing of revenue recognition is as follows. Revenue from:

- dividends received is recognised when the right to receive payment is established; and
- interest received is recognised on a time proportion basis using the effective interest rate method.

12. Finance expenses

Finance expenses, including dividends on preference shares classified as liabilities, are charged to the income statement using the effective interest rate method.

13. Critical accounting estimates and judgements

Management of the group makes estimates and assumptions concerning the future in applying its accounting policies. The resulting accounting estimates may, by definition, not equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are detailed in the notes to the financial statements, where applicable.

Management continually evaluates estimates and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognised in the period in which the estimates are reviewed and in any future periods affected.

statements of financial position

at 30 June

| | Note | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|---------------------------------------|------|---------------------|---------------------|-----------------------|-----------------------|
| ASSETS | | | | | |
| Investment in subsidiary | 1 | | | 371 | 371 |
| Investment in security | 2 | 5 726 | 4 417 | – | – |
| Deferred tax asset | 3 | 23 | 206 | – | – |
| Non-current assets | | 5 749 | 4 623 | 371 | 371 |
| Short-term financial asset | 4 | – | – | – | – |
| Cash | 5 | 2 | 2 | – | – |
| Current assets | | 2 | 2 | – | – |
| Total assets | | 5 751 | 4 625 | 371 | 371 |
| EQUITY AND LIABILITIES | | | | | |
| Shareholders' (deficit)/equity | | (630) | (1 505) | 371 | 371 |
| Long-term debt | 6 | 6 237 | 6 069 | – | – |
| Non-current liability | | 6 237 | 6 069 | – | – |
| Short-term debt | 7 | 144 | 61 | – | – |
| Current liability | | 144 | 61 | – | – |
| Total equity and liabilities | | 5 751 | 4 625 | 371 | 371 |

income statements

for the year ended 30 June

| | Note | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|------------------------------|------|---------------------|---------------------|-----------------------|-----------------------|
| Other operating expenditure | | (1) | (1) | – | – |
| Financial instrument expense | 8 | – | (1) | – | – |
| Operating loss | | (1) | (2) | – | – |
| Finance income | 10 | 257 | 258 | – | – |
| Finance expenses | 11 | (507) | (520) | – | – |
| Loss before tax | | (251) | (264) | – | – |
| Taxation | 12 | – | – | – | – |
| Loss for year | | (251) | (264) | – | – |

statements of comprehensive income

for the year ended 30 June

| | Note | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|---|------|---------------------|---------------------|-----------------------|-----------------------|
| Loss for year | | (251) | (264) | – | – |
| Other comprehensive income, net of tax | 13 | 1 126 | 64 | – | – |
| Investment available-for-sale | 13 | 1 309 | 74 | – | – |
| Tax on other comprehensive income | 13 | (183) | (10) | – | – |
| Total comprehensive income/(loss) | | 875 | (200) | – | – |

statements of changes in equity

for the year ended 30 June

| | Group | | | | Company | | |
|--|---|---|---------------------------|--------------------------------|---|---------------------------|-------------------------------|
| | Share capital and share premium (Note 14) Rm | Investment fair value reserve Rm | Accumulated loss Rm | Shareholders' deficit Rm | Share capital and share premium (Note 14) Rm | Accumulated loss Rm | Shareholders' equity Rm |
| Balance at 30 June 2009 | 371 | (1 328) | (348) | (1 305) | 371 | – | 371 |
| Total comprehensive loss for year | – | 64 | (264) | (200) | – | – | – |
| Balance at 30 June 2010 | 371 | (1 264) | (612) | (1 505) | 371 | – | 371 |
| Total comprehensive income for year | – | 1 126 | (251) | 875 | – | – | – |
| Balance at 30 June 2011 | 371 | (138) | (863) | (630) | 371 | – | 371 |

statements of cash flows

for the year ended 30 June

| | Note | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|--|------|---------------------|---------------------|-----------------------|-----------------------|
| Cash utilised in operating activities | 15 | (1) | (1) | – | – |
| Finance income received | 10 | 257 | 258 | – | – |
| Finance expenses paid | 11 | (244) | (244) | – | – |
| Cash retained from operating activities | | 12 | 13 | – | – |
| Repayment of long-term debt | 6 | (12) | (12) | – | – |
| Cash effect of financing activities | | (12) | (12) | – | – |
| Increase in cash | | – | 1 | – | – |
| Cash | | | | | |
| – at end of year | 5 | 2 | 2 | – | – |
| – at beginning of year | | 2 | 1 | – | – |
| Increase in cash | | – | 1 | – | – |

notes to the financial statements

for the year ended 30 June

| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|--|---------------------|---------------------|-----------------------|-----------------------|
| 1. Investment in subsidiary | | | | |
| Reflected as non-current asset | | | | |
| Shares at cost | | | 371 | 371 |
| Investment in subsidiary is accounted for at cost, less impairment losses. | | | | |
| For further details of interest in subsidiary, refer page 35. | | | | |
| 2. Investment in security | | | | |
| Investment available-for-sale | | | | |
| Long-term investment | 5 726 | 4 417 | – | – |
| Reconciliation | | | | |
| Balance at beginning of year | 4 417 | 4 343 | – | – |
| Revaluation to fair value | 1 309 | 74 | – | – |
| Balance at end of year | 5 726 | 4 417 | – | – |
| Fair value of investment available-for-sale | | | | |
| The fair value of the investment available-for-sale is based on a quoted market price of the Sasol Limited ordinary share of R355,98 per share (2010: R274,60 per share) as listed on the Johannesburg Stock Exchange at 30 June 2011. | | | | |
| For further details of the investment in security, refer to page 35. | | | | |
| 3. Deferred tax asset | | | | |
| Reconciliation | | | | |
| Balance at beginning of year | 206 | 216 | – | – |
| Current year charge per the statements of comprehensive income | (183) | (10) | – | – |
| Balance at end of year | 23 | 206 | – | – |
| The deferred tax asset is determined based on the tax status and rates of the company. | | | | |
| Arising from the following temporary difference | | | | |
| Asset | | | | |
| Investment in security | 23 | 206 | – | – |
| A deferred tax asset has been recognised to the extent that it is probable that the entity will generate future taxable income against which the tax loss can be utilised. | | | | |

| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|---|---------------------|---------------------|-----------------------|-----------------------|
| 4. Short-term financial assets | | | | |
| Interest rate derivatives | – | – | | |
| Short-term financial assets include the revaluation of in-the-money derivative instruments, refer to pages 37 to 41. Fair value of derivative financial instruments The fair value of derivative instruments was based upon market valuations. Interest rate derivatives The fair value of interest rate derivatives was determined by reference to quoted market prices for similar instruments. | | | | |
| 5. Cash | | | | |
| Cash – per the statements of cash flows | 2 | 2 | – | – |
| Currency analysis | | | | |
| Rand | 2 | 2 | – | – |
| Fair value of cash The carrying value of cash approximates fair value due to the short-term maturity of this instrument. | | | | |
| 6. Long-term debt | | | | |
| Total long-term debt | 6 381 | 6 130 | – | – |
| Short-term portion | (144) | (61) | – | – |
| | 6 237 | 6 069 | – | – |
| Analysis of long-term debt | | | | |
| At amortised cost | | | | |
| Secured debt | 4 680 | 4 539 | – | – |
| Unsecured debt | 1 701 | 1 591 | – | – |
| | 6 381 | 6 130 | – | – |
| Reconciliation | | | | |
| Balance at beginning of year | 6 130 | 5 866 | – | – |
| Interest accrued | 506 | 518 | – | – |
| Interest paid | (244) | (244) | – | – |
| Loans repaid | (12) | (12) | – | – |
| Amortisation of loan costs | 1 | 2 | – | – |
| Balance at end of year | 6 381 | 6 130 | – | – |
| Currency analysis | | | | |
| Rand | 6 381 | 6 130 | – | – |
| Interest-bearing status | | | | |
| Interest-bearing debt | 6 381 | 6 130 | – | – |

notes to the financial statements *continued*

| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|--|---------------------|---------------------|-----------------------|-----------------------|
| 6. Long-term debt <i>continued</i> | | | | |
| Maturity profile | | | | |
| Within one year | 144 | 61 | – | – |
| One to two years | 104 | 95 | – | – |
| Two to three years | 115 | 104 | – | – |
| Three to four years | 95 | 115 | – | – |
| Four to five years | 95 | 95 | – | – |
| More than five years | 5 828 | 5 660 | – | – |
| | 6 381 | 6 130 | – | – |
| Related party long-term debt included in long-term debt | | | | |
| Sasol Limited | 1 701 | 1 591 | – | – |
| Fair value of long-term debt | | | | |
| The fair value of long-term debt is based on the quoted market price for the same or similar instruments or on the current rates available for debt with the same maturity profile and effective interest rate with similar cash flows. Market-related rates ranging between 6,48% and 9,00% per annum (2010: 7,30% and 10,06% per annum) were used to discount estimated cash flows based on the underlying currency of the debt. | 7 398 | 6 365 | – | – |
| Financial covenants | | | | |
| There were no events of default during the current year. The group is in compliance with its debt covenants, none of which are expected to represent material restrictions on funding or investment policies in the foreseeable future. | | | | |
| For further details of long-term debt, refer page 36. | | | | |
| 7. Short-term debt | | | | |
| Short-term portion of long-term debt | 144 | 61 | – | – |
| Currency analysis | | | | |
| Rand | 144 | 61 | – | – |
| Interest-bearing status | | | | |
| Short-term debt bears interest at fixed interest rates as indicated for the A and B preference shares on page 36. | | | | |
| Security | | | | |
| All short-term debt is secured. | | | | |

| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|---|---------------------|---------------------|-----------------------|-----------------------|
| 7. Short-term debt <i>continued</i> | | | | |
| Fair value of short-term debt | | | | |
| The carrying value of short-term debt approximates fair value because of the short period to maturity. The fair value of the short-term portion of long-term debt is disclosed in note 6. | 144 | 61 | – | – |
| 8. Financial instrument expense | | | | |
| Financial instrument expense recognised in the income statements | | | | |
| Loss on derivative instrument revaluation of interest rate derivative | – | (1) | – | – |
| 9. Auditor's remuneration | | | | |
| Audit fees | | | | |
| KPMG Inc. | * | * | * | * |
| * The consolidated audit fee for the year is R99 034 (2010: R116 973). The audit fee for the company for the year is R3 523 (2010: R21 762). | | | | |
| 10. Finance income | | | | |
| Dividends received | | | | |
| South Africa | 257 | 258 | – | – |
| 11. Finance expenses | | | | |
| Debt – per income statements | 507 | 520 | – | – |
| – per the statements of cash flows | 244 | 244 | – | – |
| 12. Taxation | | | | |
| No provision was made for normal company taxation as the company had no taxable income. | | | | |
| Reconciliation of effective tax rate | % | % | % | % |
| Total income tax expense differs from the amount computed by applying the South African normal tax rate to loss before tax. The reasons for these differences are | | | | |
| South African normal tax rate | 28,0 | 28,0 | 28,0 | 28,0 |
| disallowed expenditure | (56,7) | (55,3) | – | – |
| | (28,7) | (27,3) | 28,0 | 28,0 |
| exempt other income | 28,7 | 27,3 | (28,0) | (28,0) |
| Effective tax rate | – | – | – | – |

notes to the financial statements *continued*

| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|--|--------------------------------------|--------------------------------------|--|--|
| 13. Other comprehensive income (net of tax) | | | | |
| Components of other comprehensive income | | | | |
| Income on fair value of investment | 1 309 | 74 | – | – |
| Income tax on other comprehensive income | (183) | (10) | – | – |
| Other comprehensive income for year, net of tax | 1 126 | 64 | – | – |
| Tax on other comprehensive income | | | | |
| Gross amount of fair value of investment | 1 309 | 74 | – | – |
| Tax effect of fair value of investment | (183) | (10) | – | – |
| Net effect of fair value of investment | 1 126 | 64 | – | – |
| 14. Share capital and share premium | | | | |
| | Group 2011 Number of shares | Group 2010 Number of shares | Company 2011 Number of shares | Company 2010 Number of shares |
| Authorised | | | | |
| 19 000 000 ordinary par value shares of R1 each | 19 000 000 | 19 000 000 | 19 000 000 | 19 000 000 |
| Issued | | | | |
| 16 085 199 ordinary shares in issue at beginning and end of year | 16 085 199 | 16 085 199 | 16 085 199 | 16 085 199 |
| | Rm | Rm | Rm | Rm |
| Share capital | * | * | * | * |
| Share premium | 371 | 371 | 371 | 371 |
| * Nominal amount | | | | |
| In terms of the memorandum of incorporation directors do not have the authority to issue unissued ordinary shares until the end of the Empowerment Period in September 2018. | | | | |
| Capital Management | | | | |
| In terms of the memorandum of incorporation of the company and governing agreement entered into between Sasol Limited, Sasol Inzalo Public Limited, Sasol Inzalo Public Funding (Pty) Ltd and The Sasol Inzalo Public Facilitation Trust on 15 May 2008, the company may not issue any unissued shares until the end of the Empowerment Period in September 2018. The company's capital structure is managed in accordance with the terms, conditions and restrictions of the memorandum of incorporation and governing agreement. | | | | |
| 15. Cash utilised in operating activities | | | | |
| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
| Cash flow from operations (refer note 16) | (1) | (1) | – | – |
| 16. Cash flow from operations | | | | |
| Operating loss | (1) | (2) | – | – |
| Adjusted for financial instrument expense | – | 1 | – | – |
| | (1) | (1) | – | – |

| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|--|---------------------|---------------------|-----------------------|-----------------------|
| 17. Related party transactions | | | | |
| During the year the group, in the ordinary course of business, entered into certain transactions with Sasol Limited. Sasol Limited consolidates the entities in the group as special purpose entities. The effect of these transactions is included in the financial performance and results of the Sasol group. Terms and conditions are determined on an arm's length basis. | | | | |
| Material related party transactions were as follows: | | | | |
| Income statement items | | | | |
| Finance expenses | | | | |
| Sasol Limited (refer note 11) | 110 | 114 | – | – |
| Finance income | | | | |
| Sasol Limited (refer note 10) | 257 | 258 | – | – |
| Amounts reflected as non-current assets | | | | |
| Investment in subsidiary Sasol Inzalo Public Funding (Pty) Ltd (refer note 1) | | | 371 | 371 |
| Investment in security Sasol Limited (refer note 2) | 5 726 | 4 417 | – | – |
| Amounts reflected as non-current liabilities | | | | |
| Long-term debt Sasol Limited (refer note 6) | 1 701 | 1 591 | – | – |
| Amounts paid by Sasol Limited | | | | |
| During the year, Sasol Limited paid directors' fees amounting to R577 500 (2010: Nil) to the following directors of the company for services rendered as directors of Sasol Inzalo Public Funding (Pty) Ltd: | 1 | – | | |
| | Rand | Rand | | |
| T Boikhutso | 60 000 | – | | |
| V Doo | 75 000 | – | | |
| A Haroon | 30 000 | – | | |
| S Koyana | 75 000 | – | | |
| L Mogudi | 30 000 | – | | |
| DNM Mokhobo | 37 500 | – | | |
| CK Mokoena | 30 000 | – | | |
| K Njobe | 52 500 | – | | |
| L Ntsebeza | 60 000 | – | | |
| BL Sibiyi | 97 500 | – | | |
| TP Zondi | 30 000 | – | | |
| | 577 500 | – | | |

notes to the financial statements *continued*

18. Subsequent events

There were no events subsequent to 30 June 2011.

19. Accounting standards not yet effective

The following accounting standards, interpretations and amendments to published accounting standards which are relevant to the group but not yet effective, have not been adopted in the current year:

IFRS 9, Financial Instruments

This standard addresses the classification and measurement of financial instruments and would not affect the group's accounting for its financial assets and liabilities as the group currently complies with the measurement criteria specified in IFRS 9, Financial Instruments. As the scope of the standard will be further expanded during 2011 to include impairment of assets and hedge accounting, we will review the effects of a comprehensive standard on financial instruments and consider adoption when appropriate. The effective date for adoption of this standard is for periods commencing on or after 1 January 2013.

IFRS 10, Consolidated Financial Statements

This standard defines the principle of control and establishes control as the basis for determining which entities are included in the consolidated financial statements. The standard will not have a significant impact on the financial statements of the group as we apply the criteria for establishing control as defined in IFRS 10, Consolidated Financial Statements. The effective date for adoption of this standard is for periods commencing on or after 1 January 2013.

IFRS 12, Disclosure of Interests in Other Entities

The standard requires an entity to disclose information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities; and the effects of those interests on its financial position, financial performance and cash flows. The effective date for adoption of this standard is for periods commencing on or after 1 January 2013.

IAS 27 (Amendment), Separate Financial Statements

Following the introduction of IFRS 10, Consolidated Financial Statements, this standard was also amended. We are currently reviewing the effects of the standards in conjunction with IFRS 11, Joint Arrangements, and will consider adoption when appropriate. The effective date for adoption of this standard is for periods commencing on or after 1 January 2013.

interest in subsidiary

| Name | Nature of business | Nominal issued share capital R | Interest % | Investment at cost 2011 Rm | Investment at cost 2010 Rm |
|---------------------------------------|---|--------------------------------|------------|----------------------------|----------------------------|
| Operating subsidiary | | | | | |
| Direct | | | | | |
| Sasol Inzalo Public Funding (Pty) Ltd | Investment holding company incorporated to hold shares in Sasol Limited | 1 | 100 | 371 | 371 |

The entity is incorporated and domiciled in the Republic of South Africa.

The company's interest in the aggregate losses of the subsidiary amounts to R863 million (2010: R612 million).

investment in security

| Name | Country of incorporation | Nature of business | Interest % | Group | | Group | | Company | | Company | |
|---------------|--------------------------|------------------------------------|------------|-------------------------------|-------------------------|-------------------------------|-------------------------|-------------------------------|-------------------------|-------------------------------|-------------------------|
| | | | | Carried at fair value 2011 Rm | Carried at cost 2011 Rm | Carried at fair value 2010 Rm | Carried at cost 2010 Rm | Carried at fair value 2011 Rm | Carried at cost 2011 Rm | Carried at fair value 2010 Rm | Carried at cost 2010 Rm |
| Sasol Limited | South Africa | Holding company of the Sasol group | 2,42 | 5 726 | 5 887 | 4 417 | 5 887 | - | - | - | - |

The details of the investment are as follows:

The group subscribed for 16 085 199 Sasol preferred ordinary shares. The Sasol preferred ordinary shares have voting rights attached to them and will automatically be Sasol ordinary shares at the end of the empowerment period in 2018. The Sasol preferred ordinary shares rank *pari passu* with the Sasol ordinary shares and differ only in the fact that they are not listed and trading is restricted. At the end of the empowerment period in 2018, the Sasol ordinary shares remaining after redeeming the preference share debt and paying costs may then be distributed to the black public in proportion to their shareholding.

The Sasol preferred ordinary shares carry a cumulative preferred dividend right where an ordinary dividend has been declared by Sasol during the term of the Sasol Inzalo share transaction, with the dividends set out as follows:

- R16,00 per annum for each of the three years until September 2011;
- R22,00 per annum for each of the next three years until September 2014; and
- R28,00 per annum for each of the last four years until 8 September 2018.

The Sasol preferred ordinary shares are pledged as security for the A and B preference shares and may not be disposed of or encumbered in any way.

long-term debt

The company's borrowing powers are restricted by its memorandum of incorporation.

| Terms of repayment | Security | Currency | Interest rate at 30 June 2011 | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
|---|---|----------|-------------------------------|---------------|---------------|-----------------|-----------------|
| Secured debt | | | | | | | |
| A preference shares repayable in semi-annual instalments by September 2018 ¹ | Secured by Sasol preferred ordinary shares held by the group. | Rand | Fixed 10,2% | 1 537 | 1 550 | – | – |
| B preference shares repayable in September 2018 ² | Secured by Sasol preferred ordinary shares held by the group. | Rand | Fixed 12,1% | 788 | 788 | – | – |
| C preference shares repayable in September 2018 ³ | Secured by a guarantee from Sasol Limited. | Rand | Variable 6,57% | 2 374 | 2 221 | – | – |
| Unsecured debt | | | | | | | |
| D preference shares repayable in September 2018 ⁴ | | Rand | Variable 6,57% | 1 701 | 1 591 | – | – |
| Non-participating preference share ⁵ | | Rand | – | * | * | – | – |
| | | | | 6 400 | 6 150 | – | – |
| Unamortised loan costs (amortised over period of debt using the effective interest rate method) | | | | (19) | (20) | – | – |
| | | | | 6 381 | 6 130 | – | – |
| Repayable within one year included in short-term debt | | | | (144) | (61) | – | – |
| | | | | 6 237 | 6 069 | – | – |

* Nominal amount

Dividend and repayment terms

- Dividends on these preference shares are payable in semi-annual instalments ending September 2018. It is required that 50% of the debt be repaid by September 2018, with the balance of the debt repayable at that date. The A preference shares are secured by a first right over the Sasol preferred ordinary shares held by Sasol Inzalo Public Funding (Pty) Ltd. The Sasol preferred ordinary shares held may not be disposed of or encumbered in any way.
- Dividends on these preference shares are payable in semi-annual instalments ending September 2018. The principal amount is repayable on maturity during September 2018. The B preference shares are secured by a second right over the Sasol preferred ordinary shares held by Sasol Inzalo Public Funding (Pty) Ltd.
- Through the utilisation of excess cash available, a portion of the dividends are paid semi-annually. The balance of the dividends and the principle amount outstanding on these preference shares are payable on maturity during September 2018. The C preference shares are secured by a guarantee from Sasol Limited.
- Sasol Limited subscribed for the D preference shares. Dividends and the principal amount on these preference shares are payable on maturity during September 2018.
- One 'A' ordinary share of R0,01 was issued to Sasol Limited during the period ended 30 June 2008. The rights to this share provide that immediately when any ordinary share is issued, it is converted to a preference share. As a result of the ordinary shares issued during the year ended 30 June 2009, the share was converted to a preference share. The preference share will be entitled in the aggregate to a dividend of R1,00 immediately prior to redemption, on 8 September 2018, and to redemption proceeds of R0,01.

financial risk management and financial instruments

Introduction

The group is exposed in varying degrees to a variety of financial instrument related risks. The Board has the overall responsibility for the establishment and oversight of the group's risk management framework. These risks are continuously monitored and managed. The group's financial risks relating to its operations are managed by the Sasol Limited group. A comprehensive risk management process has been developed to continuously monitor and control risks. Significant business risks are systematically identified, assessed and reduced to acceptable levels. The Sasol group has a central treasury function that manages the financial risks relating to the group's operations.

Risk profile

Risk management and measurement relating to each of these risks is discussed under the headings below (sub-categorised into credit risk, liquidity risk, and market risk) which entails an analysis of the types of risk exposure, the way in which such exposure is managed and quantification of the level of exposure in the statement of financial position. The group's objective in using derivative instruments is for hedging purposes to reduce the uncertainty over future cash flows arising from foreign currency and interest rates.

(a) Credit risk

Credit risk, or the risk of financial loss due to counterparties not meeting their contractual obligations, is managed by only investing in high quality securities. The Sasol group central treasury function provides credit risk management for the group-wide exposure in respect of a diversified group of banks and other financial institutions. These are evaluated regularly for financial robustness especially in the current global economic environment. The group minimises its credit risk relating to financial instruments by only transacting with creditworthy counterparties. Counterparties consist of prime financial institutions. The group does not expect any treasury counterparties to fail to meet their obligations. Management has evaluated treasury counterparty risk and does not expect any treasury counterparties to fail in meeting their obligations.

The group has potential credit risk exposure on cash investments. The exposure to credit risk is influenced by the individual characteristics, the industry and geographical area of the counterparty with whom we have transacted.

The carrying value of available-for-sale investment represents the maximum credit risk exposure. This financial asset is not considered to be impaired as it is expected to be fully recoverable.

financial risk management and financial instruments *continued***(b) Liquidity risk**

Liquidity risk is the risk that an entity will be unable to meet its obligations as they become due. The group manages liquidity risk by effectively managing its working capital and cash flows. The group finances its operations with dividend income from Sasol Limited. The group is in compliance with all of the financial covenants per its loan agreements.

The maturity profile of the contractual cash flows of financial instruments at 30 June were as follows:

2011

| | Note | Contractual cash flows** Rm | Within one year Rm | One to two years Rm | Two to three years Rm | Three to four years Rm | Four to five years Rm | More than five years Rm |
|--------------------------------------|------|--------------------------------|-----------------------|------------------------|--------------------------|---------------------------|--------------------------|----------------------------|
| Group | | | | | | | | |
| Financial assets | | | | | | | | |
| Loans and receivables | | | | | | | | |
| Cash | 5 | 2 | 2 | - | - | - | - | - |
| Investment available-for-sale | | | | | | | | |
| Investment in security | 2 | 5 726 | - | - | - | - | - | 5 726 |
| Non-derivative instruments | | | | | | | | |
| | | 5 728 | 2 | - | - | - | - | 5 726 |
| Financial liabilities | | | | | | | | |
| Non-derivative instruments | | | | | | | | |
| Long-term debt* | 6 | (11 112) | (353) | (353) | (353) | (449) | (449) | (9 155) |

* Includes finance expenses.

** The amount disclosed in the contractual cash flows is the future undiscounted value.

| | Note | Contractual cash flows** Rm | Within one year Rm | One to two years Rm | Two to three years Rm | Three to four years Rm | Four to five years Rm | More than five years Rm |
|-----------------------------------|------|--------------------------------|-----------------------|------------------------|--------------------------|---------------------------|--------------------------|----------------------------|
| Company | | | | | | | | |
| Financial assets | | | | | | | | |
| Non-derivative instruments | | | | | | | | |
| Investment in subsidiary | 1 | 371 | - | - | - | - | - | 371 |

** The amount disclosed is the contractual cash flows excluding finance expenses.

2010

| | Note | Contractual cash flows** Rm | Within one year Rm | One to two years Rm | Two to three years Rm | Three to four years Rm | Four to five years Rm | More than five years Rm |
|--------------------------------------|------|--------------------------------|-----------------------|------------------------|--------------------------|---------------------------|--------------------------|----------------------------|
| Group | | | | | | | | |
| Financial assets | | | | | | | | |
| Loans and receivables | | | | | | | | |
| Cash | 5 | 2 | 2 | - | - | - | - | - |
| Investment available-for-sale | | | | | | | | |
| Investment in security | 2 | 4 417 | - | - | - | - | - | 4 417 |
| Non-derivative instruments | | | | | | | | |
| | | 4 419 | 2 | - | - | - | - | 4 417 |
| Financial liabilities | | | | | | | | |
| Non-derivative instruments | | | | | | | | |
| Long-term debt* | 6 | (11 196) | (258) | (352) | (352) | (352) | (449) | (9 433) |
| Company | | | | | | | | |
| Financial assets | | | | | | | | |
| Non-derivative instruments | | | | | | | | |
| Investment in subsidiary | 1 | 371 | - | - | - | - | - | 371 |

* Includes finance expenses.

** The amount disclosed is the contractual cash flows excluding finance expenses.

(c) Market risk

Market risk is the risk arising from possible market price movements and their impact on the future cash flows of the group. The market price movement that the group is exposed to includes interest rates. The group has developed policies aimed at managing the volatility inherent in this exposure which is discussed in the risk below.

Interest rate risk

Fluctuations in interest rates impact on the value of short-term investments and financing activities, giving rise to interest rate risk. Exposure to interest rate risk is particularly with reference to changes in South African interest rates. Exposure to interest rate risk on financial assets and liabilities is monitored on a continuous and pro-active basis. On 16 July 2008, the group acquired an interest rate cap to minimise the risk associated with the variable rate of interest on the C preference shares issued. The debt of the group is structured on a combination of floating and fixed interest rates. For further details on long-term debt refer page 36.

At the reporting date the interest rate profile of the group's interest-bearing financial instruments was:

| | Carrying value | | | |
|--|---------------------|---------------------|-----------------------|-----------------------|
| | Group 2011 Rm | Group 2010 Rm | Company 2011 Rm | Company 2010 Rm |
| Variable rate instruments | | | | |
| Financial assets | 2 | 2 | – | – |
| Financial liabilities | (4 067) | (3 805) | – | – |
| | (4 065) | (3 803) | | |
| Fixed rate instruments | | | | |
| Financial liabilities | (2 314) | (2 325) | – | – |
| Interest profile (variable: fixed rate as a percentage of total interest-bearing) | 64:36 | 62:38 | | |

Cash flow sensitivity for variable rate instruments

Financial instruments affected by interest rate risk include borrowings, deposits and derivative financial instruments. A change of one percent in the prevailing interest rate at the reporting date would have (increased)/decreased the income statement by the amounts shown below before the effect of tax. The sensitivity analysis has been prepared on the basis that all other variables remain constant and has been performed on the same basis for 2010.

| | Income statement – 1% increase South Africa | |
|---------------------|--|---------------|
| | Group Rm | Company Rm |
| 30 June 2011 | (3) | – |
| 30 June 2010 | (3) | – |
| | Income statement – 1% decrease South Africa | |
| | Group Rm | Company Rm |
| 30 June 2011 | 3 | – |
| 30 June 2010 | 3 | – |

A one percent decrease in the interest rate at 30 June would have the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

financial risk management and financial instruments *continued*

The following interest rate derivative contracts were in place at 30 June:

| Group | Contract amount | Average fixed rate | Expiry | Estimated fair value | Contract amount | Average fixed rate | Expiry | Estimated fair value |
|--|-----------------|--------------------|-------------------|----------------------|-----------------|--------------------|-------------------|----------------------|
| | 2011 Rm | 2011 % | 2011 | 2011 Rm | 2010 Rm | 2010 % | 2010 | 2010 Rm |
| Interest rate derivatives Derivative instruments – held for trading Interest rate cap (relating to long-term debt) | 2 519 | 15,85 | 3 October 2011 | – | 2 257 | 15,85 | 3 October 2011 | – |

The following interest rate derivative contracts were in place at 30 June:

| Company | Contract amount | Average fixed rate | Expiry | Estimated fair value | Contract amount | Average fixed rate | Expiry | Estimated fair value |
|--|-----------------|--------------------|--------|----------------------|-----------------|--------------------|--------|----------------------|
| | 2011 Rm | 2011 % | 2011 | 2011 Rm | 2010 Rm | 2010 % | 2010 | 2010 Rm |
| Interest rate derivatives Derivative instruments – held for trading Interest rate cap (relating to long-term debt) | – | – | – | – | – | – | – | – |

The maturity profile of gross contract amounts of interest rate derivatives at 30 June were as follows:

| | Group | | | Company | | |
|---------------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|------------------------|
| | Contract amount Rm | Within one year Rm | One to two years Rm | Contract amount Rm | Within one year Rm | One to two years Rm |
| 2011 Interest rate cap | 2 519 | 2 519 | – | – | – | – |
| 2010 Interest rate cap | 2 257 | – | 2 257 | – | – | – |

Classification of financial assets and financial liabilities

Accounting classifications and fair values

The table below sets out the group's classification of financial assets and financial liabilities, and their fair values:

| | Note | Group | | | | Company | | | |
|---|------|--|---------------------------------|--|---------------------------------|--|---------------------------------|--|---------------------------------|
| | | 2011 Fair value ¹ Rm | 2011 Carrying value Rm | 2010 Fair value ¹ Rm | 2010 Carrying value Rm | 2011 Fair value ¹ Rm | 2011 Carrying value Rm | 2010 Fair value ¹ Rm | 2010 Carrying value Rm |
| Financial assets | | | | | | | | | |
| Financial assets measured at amortised cost | | | | | | | | | |
| Loans and receivables | | | | | | | | | |
| Cash | 5 | 2 | 2 | 2 | 2 | – | – | – | – |
| Financial assets measured at fair value | | | | | | | | | |
| Investment in subsidiary | | | | | | 371 | 371 | 371 | 371 |
| Investment available-for-sale | | | | | | | | | |
| Investment in security | 2 | 5 726 | 5 726 | 4 417 | 4 417 | – | – | – | – |
| | | 5 728 | 5 728 | 4 419 | 4 419 | 371 | 371 | 371 | 371 |
| Financial liabilities | | | | | | | | | |
| Financial liabilities measured at amortised cost | | | | | | | | | |
| Long-term debt | 6 | (7 254) | (6 237) | (6 304) | (6 069) | – | – | – | – |
| Short-term debt | 7 | (144) | (144) | (61) | (61) | – | – | – | – |
| | | (7 398) | (6 381) | (6 365) | (6 130) | – | – | – | – |

¹ Carrying value has been used where it closely approximates fair values. Fair value estimates are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. Where available, the most suitable measure for fair value is the quoted market price. In the absence of market prices which are not always available, the fair value was calculated on the basis of valuation techniques using current market parameters.

corporate governance report

Introduction

Sasol Inzalo Public Limited (the company) was established for the purpose of the acquisition and ownership of ordinary shares in the share capital of Sasol Inzalo Public Funding (Pty) Ltd. The company, through Sasol Inzalo Public Funding (Pty) Ltd, is the indirect owner of 16 085 199 preferred ordinary shares in Sasol Limited (Sasol), issued as part of the Sasol Inzalo Black Economic Empowerment transaction (the transaction). Through the Transaction in 2008, beneficial ownership of 10% of Sasol's issued share capital at the time was transferred to a wide spread of black South Africans. The tenure of the transaction is 10 years.

With appropriate Sasol facilitation, the acquisition of the Sasol shares was funded through a combination of equity contributions and preference share funding, and is governed by Financing Agreements entered into between Sasol Limited, the company and preference share funders (financing agreements).

The shareholders of the company comprise approximately 214 000 black individuals and black groups.

Together Sasol Inzalo Public Limited and Sasol Inzalo Public Funding (Pty) Ltd comprise "the group".

The group does not have any operations nor employees; neither does it have any assets, save for its indirect investment in Sasol. All necessary services, such as financial, information and risk management, company secretarial, legal compliance and internal audit services, are provided by Sasol Group Services (Pty) Ltd (SGS), a wholly-owned subsidiary of Sasol, appointed by the group as the administrative agent, in terms of a governing agreement entered into between the company, Sasol, SGS and Sasol Inzalo Public Funding (Pty) Ltd (the governing Agreement).

Governance

The group is committed to good governance and compliance with recognised best practices. The King Report on Corporate Governance for South Africa 2009 (King III) is recognised as the definitive source on governance for companies in South Africa.

Full compliance with the King III recommendations would however be unnecessarily cumbersome and costly for the group and will not necessarily enhance governance. Nevertheless, through SGS, which has already developed mature processes in compliance with the principles of King III, King III is being applied where practical and reasonable. Sasol provides full disclosure of the corporate

governance practices of the Sasol group, including the application of King III, in its integrated annual report to shareholders.

*Ethics as the foundation of, and reason for, corporate governance*¹ remain one of the cornerstones on which effective and responsible leadership are provided throughout the group. The values of responsibility, honesty, fairness and respect underpin the framework against which the entire Sasol group measures behaviour and practices. Sound corporate governance is implicit in Sasol's values, culture and processes which are continuously refined through, amongst others, the Sasol Code of Ethics.

Responsible leadership is provided by the board who is responsible for the performance and control of the group as provided for in the memorandum of incorporation (the MOI) of the company.

The board provides strategic direction, monitors performance, ensures effective risk management and compliance with applicable legislation and maintains corporate governance standards within the framework of the governing agreement. The governing and financing agreements describe in detail the responsibilities and obligations of the board, which are related and limited to the maintenance of the integrity of the transaction for the 10-year duration thereof.

The responsibility of performance and control of the company, is assigned to the board through the MOI which provides that the number of directors shall not be less than 5 (five) and not more than 11 (eleven). Currently, and as prescribed by the MOI and the governing agreement, the majority of the directors are black people, with at least 40% of the directors being black women. As prescribed by the JSE Limited at the time the transaction was embarked upon, all the directors are independent directors, who are guided, as recommended by King III, by an independent, non-executive director, as chairman. In terms of the MOI the directors shall, for each annual general meeting, nominate a minimum of 8 (eight) persons as nominees for appointment as directors. One-third of the directors shall retire from office and be eligible for re-election at each annual general meeting. Casual vacancies can be filled by the board and directors so appointed shall retain office only until the next following annual general meeting and shall then retire and be eligible for re-election. Annually directors' general declarations of interests are tabled at the board for consideration and noting. In terms of the MOI of Sasol Inzalo Public Limited the Sasol Inzalo Public Funding (Pty) Ltd board comprises the same directors as Sasol Inzalo Public Limited

¹ King III Report

During the financial year ended 30 June 2011, the board held two meetings. The attendance by each director was as follows:

| Sasol Inzalo Public Limited | | |
|-----------------------------|-------------------|---------------|
| Director | 21 September 2010 | 17 March 2011 |
| T Boikhutso | √ | √ |
| V Doo | √ | √ |
| A Haroon | – | √ |
| S Koyana | √ | √ |
| T Modikoe | * | n/a |
| L Mogudi ¹ | n/a | √ |
| CK Mokoena ¹ | n/a | √ |
| DNM Mokhobo | – | – |
| B Ngonyama ² | √ | n/a |
| RT Nhlapo ² | – | n/a |
| K Njobe | √ | √ |
| L Ntsebeza | √ | √ |
| BL Sibiyi | √ | √ |
| TP Zondi ¹ | n/a | √ |

√ Indicates attendance.

n/a Indicates not a director at the time.

– Indicates absence with apology.

* Absent. Not nominated for re-election on 19 November 2010.

1 Appointed with effect from 19 November 2010.

2 Resigned with effect from 19 November 2010.

Sasol Inzalo Public Funding (Pty) Ltd

| Director | 21 September 2010 | 17 March 2011 |
|-------------------------|-------------------|---------------|
| T Boikhutso | √ | √ |
| V Doo | √ | √ |
| A Haroon | – | √ |
| S Koyana | √ | √ |
| T Modikoe | * | n/a |
| L Mogudi ¹ | n/a | √ |
| CK Mokoena ¹ | n/a | √ |
| DNM Mokhobo | – | – |
| B Ngonyama ² | √ | n/a |
| RT Nhlapo ² | – | n/a |
| K Njobe | √ | √ |
| L Ntsebeza | √ | √ |
| BL Sibiyi | √ | √ |
| TP Zondi ¹ | n/a | √ |

√ Indicates attendance.

n/a Indicates not a director at the time.

– Indicates absence with apology.

* Absent. Not nominated for re-election on 19 November 2010.

1 Appointed with effect from 19 November 2010.

2 Resigned with effect from 19 November 2010.

In fulfilling its responsibilities, the board is supported by an **audit committee** with duties as set out in terms of legislation and with terms of reference approved by the board. The committee consists of three independent, non-executive members, which includes a chairman who is not the chairman of the board. The attendance by each member was as follows:

| Member | 21 September 2010 | 17 March 2011 |
|-------------------------|-------------------|---------------|
| CK Mokoena ³ | n/a | n/a |
| B Ngonyama ² | √ | n/a |
| K Njobe | √ | √ |
| TP Zondi ¹ | n/a | √ |

√ Indicates attendance.

– Indicates absence with apology.

n/a Indicates not a member at the time.

1. Appointed with effect from 16 March 2011.

2. Not a member as from 19 November 2010.

3. Appointed with effect from 12 September 2011.

corporate governance report *continued*

The board does not deem it necessary to constitute any other committees. It will apply for exemption from the Companies Act requirement to establish a social and ethics committee, having regard to the nature and extent of the company's activities.

SGS, as the **company secretary** of the company and its subsidiary, represented by suitably qualified and experienced individuals, regularly provides guidance and advice to the board and ensures the ongoing training and education of directors on their fiduciary duties and other responsibilities.

The **governance of risk** remains the ultimate responsibility of the board and the control of identified risks is based on the comprehensive enterprise risk management programme of SGS. The role and function of internal audit, provided by SGS and overseen by the Sasol Limited audit committee, including the requirements with respect to combined assurance, and the governance of risk and information technology are materially aligned with the requirements of King III.

It is of utmost importance to the group that it continuously **complies** with existing and emerging regulation impacting on the group, and its duty to conduct business in accordance with the **laws and regulations** by which it is governed, is recognised. SGS, as the company secretary and administrative agent, is primarily responsible for ensuring compliance with the legal requirements and is supported and monitored by the internal audit, legal services and risk management departments of SGS.

The group recognises that **transparency and accountability** is achieved by, amongst others, effective communication, integral in building stakeholder value, and is committed to providing meaningful, transparent, timely and accurate financial and non-financial information to its shareholders. The group endeavours, through Sasol and SGS's disclosure controls and procedures, to present a balanced and understandable assessment of its financial position by addressing material matters of significant interest and concern in its annual financial statements.

form of proxy

Sasol Inzalo Public Limited

(Company registration number 2007/030646/06)
('the company')

Identity Number

Holder Reference Number

For use at the 4th annual general meeting of members of Sasol Inzalo Public Limited to be held on Tuesday, 22 November 2011, at 09:00 South African time in Exhibition Hall 1, Sandton Convention Centre, Maude Street, Sandton, Johannesburg.

Please mark this block with an "X" if you have nominated another person to vote on your behalf

I/We (full names in BLOCK letters)

of (address)

being a holder/holders of the Company holding

[Insert number of shares] of the shares in the Company,

hereby appoint:

1.

(full names in BLOCK letters)

of (address in BLOCK letters)

or failing him/her

2.

(full names in BLOCK letters)

of (address in BLOCK letters)

or, failing him/her

3. the chairman of the annual general meeting,

as my/our proxy to attend, speak at and vote (whether by polling or by show of hands) for me/us and on my/our behalf at the annual general meeting of the Company to be held in Exhibition Hall 1, Sandton Convention Centre, Maude Street, Sandton, Johannesburg on 22 November 2011 at 09:00 and at any adjournment(s) thereof, and to vote or abstain from voting on the resolutions to be proposed at such annual general meeting, as follows:

| | Number of votes (insert): | | |
|--|---------------------------|----------------------|----------------------|
| | For | Against | Abstain |
| <p>Use a black pen. Mark with an X inside the boxes as shown in this example</p> <div style="text-align: right; border: 1px solid black; padding: 2px; display: inline-block;">X</div> | | | |
| <p>1. Special Resolution Number 1 Authority to the Board for the Company to provide direct or indirect financial assistance by way of a loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any juristic person that the Company directly or indirectly controls, or any person that is or becomes related or inter-related to the Company</p> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <p>2. Ordinary Resolution Number 1 Re-appointment of KPMG Inc as auditor of the Company</p> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <p>3. Ordinary Resolution Numbers 2 to 5 To re-elect, each by way of separate vote, the following persons as directors, who retire in terms of article 11.3.2 of the Company's Memorandum of Incorporation, and who are eligible and have offered themselves for re-election:</p> | | | |

form of proxy *continued*

| | Number of votes (insert): | | |
|--|---------------------------|----------------------|----------------------|
| | For | Against | Abstain |
| Use a black pen. Mark with an X inside the boxes as shown in this example <div style="float: right; border: 1px solid black; padding: 2px; margin-left: 10px;">X</div> | | | |
| Number of votes (insert): | | | |
| 3. Ordinary Resolution Numbers 2 to 5 (continued) | | | |
| 3.1 Ms Thalita Boikhutso (who retires by rotation) | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 3.2 Ms Vuyiswa Doo (who retires by rotation) | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 3.3 Dr Siphokazi Koyana (who retires by rotation) | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 3.4 Prof Lungisile Ntsebeza (who retires by rotation) | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 4. Ordinary Resolution Numbers 6 to 10 To re-elect, each by way of separate vote, the following persons as directors, who have been nominated in terms of article 11.3.1 of the Company's Memorandum of Incorporation: | | | |
| 4.1 Mr Naeem Adam | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 4.2 Mr Lulamile Mbetse | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 4.3 Ms Ndumi Medupe | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 4.4 Ms Merafe Moloto | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 4.5 Mr Siphesihle Shelemba | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 5. Ordinary Resolution Numbers 11 to 13 To elect, each by way of separate vote, the members of the Audit Committee: | | | |
| 5.1 Ms Charlotte Mokoena | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 5.2 Ms Khungeka Njobe | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 5.3 Ms Thandeka Zondi | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Each member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in his stead. A proxy need not be a member of the Company.

Please indicate with an "X" in the appropriate spaces above how you wish your votes to be cast. If you return this Form of Proxy duly signed without any specific directions indicated with an "X" in the appropriate spaces above, the appointed proxy will be entitled to vote or abstain as he/she thinks fit in his/her discretion.

A proxy may not delegate his/her authority to act on your behalf to another person.

Please note that this Form of Proxy will lapse and cease to be of force and effect immediately after the annual general meeting of the Company to be held in Exhibition Hall 1, Sandton Convention Centre, Maude Street, Sandton, Johannesburg on 22 November 2011 at 09:00 or if adjourned, immediately after any adjournment(s) thereof.

Please refer to the Notes overleaf.

Signed at _____ on _____ 2011

Signature _____ Name in BLOCK letters _____

notes to form of proxy

1. Each holder may attend the annual general meeting in person. A holder entitled to attend, participate in and speak and vote at the annual general meeting is entitled to appoint one or more individuals as proxy/ies to attend, participate in and speak and vote at the annual general meeting on behalf of and in the place of the holder.
2. An individual appointed as a proxy need not also be a holder of the Company.
3. The proxy appointment must be in writing, dated and signed by the holder.
4. The form appointing the proxy must be delivered to Computershare Investor Services (Pty) Ltd. Shareholders are encouraged to deliver the Form of Proxy (in order to enable the Company to process same, and to the extent that it is not contrary to the provisions of the Act) not less than 48 hours prior to the annual general meeting, before the proxy exercises any rights of the holder entitled to vote at the annual general meeting.
Forms of proxy can be posted in the business reply envelope or hand delivered to the following address:
Computershare Investor Services (Pty) Ltd
P O Box 61051, Marshalltown, 2107
70 Marshall Street, Johannesburg, 2001
5. The appointment of one or more proxies in accordance with the Form of Proxy to which these Notes are attached will lapse and cease to be of force and effect immediately after the annual general meeting of the Company to be held in Exhibition Hall 1, Sandton Convention Centre, Maude Street, Sandton, Johannesburg on 22 November 2011 at 09:00 or at any adjournment(s) thereof, unless it is revoked earlier in accordance with paragraphs 6 and 7 below.
6. A holder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy/ies and to Computershare, to be received before the replacement proxy exercises any rights of the holder at the annual general meeting of the Company to be held in Exhibition Hall 1, Sandton Convention Centre, Maude Street, Sandton, Johannesburg on 22 November 2011 at 09:00 or any adjournment(s) thereof.
7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's/proxies' authority to act on behalf of the holder as of the later of: (i) the date stated in the revocation instrument, if any or (ii) the date on which the revocation instrument was delivered as required in paragraph 6(ii) above.
8. If the instrument appointing a proxy or proxies has been delivered to the Company in accordance with paragraph 4 above, then, until that appointment lapses in accordance with paragraph 5 above, any notice that is required by the Act or the Company's Memorandum of Incorporation to be delivered by the Company to the holder must be delivered by the Company to:
 - 8.1 the holder; or
 - 8.2 the proxy or proxies, if the holder has: (i) directed the Company to do so, in writing and (ii) paid any reasonable fee charged by the Company for doing so.
9. Any insertions, deletions, alterations or corrections made to this Form of Proxy must be initialled by the signatory/ies. Any insertion, deletion, alteration or correction made to this Form of Proxy not complying with the foregoing will be deemed not to have been validly effected.
10. **A holder may appoint one person as proxy/two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the holder.**
11. The person whose name stands first on this Form of Proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy shall be exercised by the chairman of the annual general meeting.
12. A holder's instructions to the proxy must be indicated by the insertion of an "X" or the relevant number of votes exercisable by that holder in the appropriate box provided. An "X" in the appropriate box indicates the maximum number of votes exercisable by that holder. Failure to comply with the above or to provide any voting instructions will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he/she/it deems fit in his/her discretion.

notes to form of proxy *continued*

13. When there are joint holders of shares, any one holder may sign this Form of Proxy, and the vote of the senior holder (for which purpose seniority will be determined by the order in which the names of the holders appear in the Company's securities register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint holders.
14. The completion and lodging of this Form of Proxy will not preclude the holder who appoints one or more proxy/ies from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy/ies appointed in terms of this Form of Proxy should such holder wish to do so. The appointment of any proxy/ies is suspended at any time and to the extent that the holder chooses to act directly and in person in the exercise of any rights as a holder.

