SACOIL

HOLDINGS LIMITED

ANNUAL REPORT

2009

SACOIL

CONTENTS

The report and statements set out below comprise the annual financial statements and group annual financial statements as presented to shareholders:

SACOIL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1993/000460/06)
Share code: SCL ISIN: ZAE0000127460
("SACOIL" or "the company")

DIRECTORS AND OFFICERS

NAME AND QUALIFICATION	CAPACITY		COMMITTEE
Robin Vela Chartered Accountant, Bachelor of Science degree (honours) in Economics and Accounting from the University of Bristol, UK	Executive director	Appointed 25/02/08	
Brian Christie Masters Degree in Law from Cambridge University	Non-executive director	Appointed 07/11/97	Audit, Remuneration
Richard Linnell Geologist	Independent Chairperson	Appointed 19/09/02	
Colin Bird Higher National Diploma in Mining Engineering, UK Chartered Engineer	Independent non-executive director	Appointed 09/04/08	Audit, Remuneration
Fusion Corporate Secretarial Services (Proprietary) Ltd	Company secretary	Appointed 28/02/08	

SHAREHOLDER INFORMATION

ANALYSIS OF THE SHARE REGISTER AT 28 FEBRUARY 2009

	Number of Shareholders	% of Shareholders	Number of shares	% of shares
ANALYSIS OF SHAREHOLDINGS				
1 - 10 000	807	81.4	1 674 729	0.5
10 001 – 100 000	154	15.5	4 914 817	1.6
100 001 – 1 000 000	23	2.3	6 109 721	2.0
1 000 001 and above	8	0.8	300 592 347	95.9
	992	100.0	313 291 614	100.0
DISTRIBUTION OF SHAREHOLDERS				
Individuals	921	92.9	42 529 325	13.6
Private companies	16	1.6	209 429 920	66.8
Public companies	3	0.3	5 901 502	1.9
Nominees and trusts	23	2.3	591 708	0.2
Close corporations	21	2.1	728 261	0.2
Other corporate bodies	5	0.5	13 391 415	4.3
Banks	2	0.2	50 600	0.0
Insurance companies	1	0.1	40 668 883	13.0
SHAREHOLDER SPREAD	992	100.0	313 291 614	100.0
Non-public shareholders				
Directors and associates of the Company holdings	3	0.3	210 381 545	67.1
Strategic Holdings (more than 10%)	1	0.1	40 668 883	13.0
	4	0.4	251 050 428	80.1
Public shareholders	988	99.6	62 241 186	19.9
Total	992	100.0	313 291 614	100.0

SHAREHOLDERS BENEFICIALLY HOLDING, DIRECTLY OR INDIRECTLY, 5% OR MORE

Encha Capital (Proprietary) Limited	177 659 889	56.7
Metropolitan Asset Managers	40 668 883	13.0
BH Christie	32 421 656	10.3
Riccla 1758 (Proprietary) Limited	29 938 905	9.6
	280 689 333	89.6

DIRECTORS' SHAREHOLDING

BH Christie		
– Direct beneficial	32 421 656	10.3
C Bird		
– Direct beneficial	300 000	0.1
	32 721 656	10.4

SALIENT FEATURES

	Group and company 2009 R000	Group and company 2008 R000	% Change
Operating loss	**(3 443 054)**	(5 107 094)	(32.58)
Attributable loss	**(27 115 265)**	(9 517 216)	184.91
Loss per share (cents)	**(8.65)**	(5.68)	52.29
Diluted loss per share (cents)	**(8.64)**	(5.68)	52.11
Headline loss	**(27 115 265)**	(4 858 878)	458.06
Headline loss per share (cents)	**(8.65)**	(2.90)	198.28
Diluted headline loss per share (cents)	**(8.64)**	(2.90)	197.93
Net asset value per share (cents)	**13.11**	14.18	(7.55)

CHAIRMAN'S REPORT

SACOIL

LISTING

SacOil's listing was transferred from the "Venture Capital Market" sector to the "Oil & Gas" sector of the Main Board of the JSE on 12 December 2008.

MAJOR SHAREHOLDER

As previously reported, Encha Capital (Proprietary) Limited ("Encha Capital"), a special purpose vehicle formed by Encha Group (Proprietary) Limited ("Encha") and Investec Private Bank, is the controlling shareholder of the company. Encha is an investment holding company with exploration, industrial and property interests which is wholly owned and controlled by black persons. Encha Capital currently holds 56.7% of the total issued shares in SacOil.

DIRECTORATE

Details of the board of directors can be found on page 2 of this annual report.

GREENHILLS MANGANESE SULPHATE PLANT

Taking into account that the reporting period is only eight months as well as seasonality of revenue, the plant managed to maintain sales volumes despite a downturn in the economy and the fact that the overseas market is currently dominated by China. The strengthening of the Rand against other major currencies also impacts negatively on exports as it enables overseas countries to provide the products at lower prices. Sales of Manganese Oxide were up due to a large order from the chemical sector.

Significant increases in the price of raw materials and consumables during the latter half of the year and the lag effect of these increases to customers negatively impacted on gross margins.

FINANCIAL

A loss of 8,65 (2008: 5,68) cents, diluted loss of 8,64 cents, a headline loss of 8,65 (2008: 2,90) cents, diluted headline loss of 8,64 cents and a net asset value of 13,11 (2008: 14,18) cents per share were reported. Included in the loss for the eight months are corporate head office costs in relation to current and future anticipated corporate actions in an amount of R2,9 million. The 1,07 cent decrease in the net asset value is mainly due to these costs being expensed as well as an impairment loss recognised on the revaluation of loans receivable in an amount of R0,4 million.

INVESTMENT IN SOUTH AFRICA CONGO OIL COMPANY (PROPRIETARY) LIMITED

Further to previous announcements regarding the company's investment in South Africa Congo Oil Company (Pty) Limited, the date for fulfilment of the conditions precedent to the agreements referred to therein has been extended to 31 January 2010. The last condition outstanding is the receipt of Presidential Decree on the oil exploration assets from the President of the Democratic Republic of the Congo. Following meetings with the relevant authorities, the directors are confident this condition will be fulfilled by 31 January 2010.

CONDITIONAL ACQUISITION OF COAL EXPLORATION ASSETS

It was announced on 15 December 2008 that the directors of SacOil Holdings have finalised proposals in terms of which Pioneer Coal Limited ("Pioneer Coal"), a newly formed company, will issue 313 291 614 ordinary shares to SacOil Holdings at a price of R0.001 per share. On 12 December 2008 Pioneer Coal acquired certain coal exploration companies subject to specified conditions precedent, including amongst others, the completion of a due diligence investigation and the raising of sufficient capital.

CHAIRMAN'S REPORT

continued

PROSPECTS

Continued challenging market conditions have impacted SacOil's operations in the short term to a lesser extent.

The company is in the process of evaluating various value adding acquisition opportunities and considering additions to its financial and technical resources base which will be announced to shareholders in due course.

R LINNELL
Chairman

6 August 2009

OPERATIONAL REVIEW

The company's current operating business is that of manufacturing Manganese Sulphate Monohydrate ("MSP"), Manganese Sulphate Solution ("MSS") and Manganese Oxide ("MnO") from a chemical manganese processing plant near Graskop in Mpumalanga, better known as the Greenhills plant.

PRODUCTION AND SALES

The reporting period was dominated by higher production and sales during the first half whilst the second half was dominated by the downturn in the economy.

Sales figures in tonnes are as follows:

	Sales 2009 8 months	Sales 2008 8 months	% change
MSP	**2 482**	2 512	(1.19)
MnO	**909**	312	191.35
Total	**3 391**	2 824	20.08

Sales into the overseas market are down mainly due to the economic downturn, customers decreasing stock levels and the strengthening rand against other major currencies. The European market is currently dominated by low priced Chinese MSP. On the local market marginally lower MSP sales into the agricultural industry were due to the good summer rains causing demand for animal feed to decrease.

The increased sales of MnO was a once of order from the chemical sector. The company's anchor client, Namzinc, maintained its production levels during the economic downturn, and orders from Namzinc for MSP are continuing as normal.

The average production capacity of the plant is 360 tonnes per month of MSP. Production for the first half of the period exceeded the design capacity. The average production capacity of MnO is 400 tonnes per month of which approximately 340 tonnes are used in the production of MSP.

Capital expenditure is required on the drying section, as referred to in previous announcements, in order to sustain the long term production capacity of the plant.

ENVIRONMENTAL EXPENDITURE

The provision for rehabilitation is increased annually to reach R1,6 million which will be required at the end of the life of the mine to restore the site damage after commencement of production activities.

FUTURE PROSPECTS

Subsequent to year end the company has embarked on a process of streamlining the costing process. Costing of stock has been separated into three production processes, namely Kiln, Leaching and Drying, to achieve more accurate costing. Selling prices are reviewed and adjusted to ensure that production costs are recovered from customers to achieve targeted margins. The company is also actively and on a continuous basis reviewing prices of raw materials and consumables to ensure that costs are managed without compromising on the quality of the raw materials and consumables. Fixed costs are kept at a minimum to maximise returns.

The Greenhills plant is also in the process of converting its mining rights. The application was submitted during April 2009 and the company awaits granting of the rights by the Department of Minerals and Energy.

KJJ DE ROOSTER
Operations Manager

6 August 2009

CORPORATE GOVERNANCE STATEMENT

The board of directors of SacOil endorses the fundamental principles of good financial, social, ethical and environmental practice as set out in the King Report on Corporate Governance published in 1994. ("King Report").

The directors recognize that they are responsible for implementing practices of good governance and that companies no longer act independently from the societies and the environment in which they operate. Shareholders and stakeholders insist on high standards of corporate governance requiring increasing levels of transparency, integrity, openness and accountability by directors.

BOARD OF DIRECTORS

SacOil's board consists of one executive director (RT Vela) who is currently fulfilling the role of managing director as well as financial director, one non-executive director (BH Christie) and two independent non-executive directors (Messrs RJ Linnell and C Bird). The board aims to ensure that there is an appropriate balance of power and authority on the board, such that the risk of domination in decision taking is minimised.

The board is responsible for the management and governance of the group which it monitors by regular and frequent management meetings. All directors are subject to retirement by rotation or re-election by shareholders at least once every three years.

During the year the board convened four times the following being the dates: (with full attendance at each meeting):

27 August 2008, 19 November 2008, 14 January 2009 and 27 February 2009.

The non-executive directors are not involved in the day-to-day management of the group and are not full-time salaried employees of the company. Non-executive directors are individuals of calibre and credibility, and have the necessary skills and experience to bring judgement to bear, independent of management, on issues of strategy, performance, resources, transformation, diversity and employment equity, standards of conduct and evaluation of performance. The Chairman is an independent non-executive director.

The directors all have unfettered access to the Company Secretary who, inter alia, is responsible for ensuring that proper procedures are followed regarding board matters. The company secretary is also responsible to ensure that directors are alerted to any changes to, amongst other, the Companies Act, the Insider Trading Act and the JSE listings requirements. Directors' information packs are prepared before each board meeting so as to fully inform the directors of the issues at hand. Directors are furthermore entitled to ask personnel questions and have unrestricted access to all company documentation, information, documents and property.

Where deemed necessary the company makes use of independent professional advisors, specifically in relation to legal and accounting matters pertaining to the company's business. All these costs are borne by the company.

ACCOUNTABILITY

The main responsibilities of the board are to:

- Develop the company's goals, mission and vision;
- Determine the strategy to achieve its goals, mission and vision;
- Create shareholder value for all shareholders through the exercise of leadership, enterprise, integrity and judgment;

CORPORATE GOVERNANCE STATEMENT

continued

- Protect the assets and the reputation of the company;
- Ensure that proper systems of internal control are in place;
- Identify key risk areas and key performance indicators;
- Assess performance and effectiveness as a whole;
- Ensure that a succession plan is place for directors and senior management.

The board recognises its responsibilities in relation to effective control over the company and in setting standards. Management is responsible to implement systems of internal control to reduce the risk of misstatement, fraud or error. This is done through proper delegation within a structured framework, efficient financial management and adequate segregation of duties.

The board is responsible for the preparation and presentation of the financial statements. These financial statements present a balanced and carefully considered assessment of the company's position and prospects. The auditors are responsible for reporting on the fairness of the financial statements presented in terms of compliance with the Companies Act and International Financial Reporting Standards.

The directors are satisfied that the internal controls and systems have been sufficiently improved and strengthened to provide ongoing reasonable assurance as to the integrity and reliability of the financial statements, to safeguard the resources of the business and to detect and minimise the potential for loss or material misstatement.

AUDIT COMMITTEE

The role of the committee is to ensure that financial results are communicated to shareholders on a regular basis in accordance with the group's accounting policies, which comply with International Financial Reporting Standards and the presentation and disclosure requirements of International Accounting Standards statement IAS 34 and the requirements of the South African Companies Act of 1973, and to review the effectiveness of the internal controls adopted by the company including reviewing of the appropriateness of the accounting policies adopted and the presentation of information to shareholders. The board is of the opinion that the company's current business does not justify the costs of having a separate risk committee and internal audit function, and that the audit committee have sufficient experience and qualification to fulfil this role. The committee sets the principles for approval of non audit services by the external auditors. The provision of non audit services are recommended by the committee and approved by the board. All non audit services need to be mandated separately for each assignment. The current members of this committee are Messrs Brian Christie and Colin Bird, with the financial director attending by invitation. The committee is satisfied that the financial director has the appropriate expertise and experience to fulfil his function.

The committee meets at least two times a year to discuss and recommend for approval the interim and year end results and to perform its other functions. One meeting was held during the eight month period on 27 August 2008.

The specific terms of reference of the Audit Committee as approved by the Board includes but are not limited to:

- Reviewing financial information and results;
- Reviewing reports from the external auditors;

CORPORATE GOVERNANCE STATEMENT

continued

- Assessment of the risk of fraudulent reporting;
- Reviewing the code of ethics;
- Assess the appropriateness of the Financial Director's expertise and experience;
- Compliance with internal control procedures;
- Approval of audit fees;
- Reporting to the Board any aspects considered relevant.

REMUNERATION COMMITTEE

The committee is responsible for developing a formal and transparent policy on executive remuneration and for fixing the remuneration packages of individual directors. It is also responsible for the overseeing of remuneration to all staff members throughout the organisation.

The remuneration committee is a useful mechanism for facilitating the determination of all the essential components of remuneration and establishing remuneration credibility with shareowners.

The company does not have a nomination committee. The remuneration committee assists the board in the process of new nominations and appointments to the board. There is a clear policy detailing the procedures for appointments to the board. Such appointments are formal and transparent and a matter for the board as a whole.

The remuneration committee currently consists of two directors, namely Messrs Brian Christie and Colin Bird.

CODE OF ETHICS AND BUSINESS CONDUCT

SacOil requires all employees and directors in the group to act in good faith and with integrity in all transactions and with all stakeholders with whom they interact. Core ethical principles of fairness, transparency, honesty, non-discrimination, accountability and responsibility and respect for human dignity, rights and social justice are important to the company.

Due to the size of the company it does not have a formal written code.

SHARE DEALINGS BY EMPLOYEES AND DIRECTORS

All directors, officers and employees are advised of closed periods. The company has closed periods during which directors, officers and all employees are prohibited from trading in the securities of the company. The closed period is from the last day of the financial year or half year to the date of the respective announcements relating to the reporting period, and when other price-sensitive information is known. For dealings at any other time of the year the company secretary maintains a record. Any dealings by a director and/or management must be approved by the Chairman in writing and are reported to the JSE Limited in terms of their applicable rules.

RISK MANAGEMENT

The board accepts the directors' accountability and responsibility for risk management. The audit committee works closely with the board on the issue of risk management. Risk management includes identifying potential risks within the company which can have an impact on the company's objectives, profitability, assets, social and environmental issues, and financial, political and operational environments.

CORPORATE GOVERNANCE STATEMENT

continued

In addition to the management of financial risk, which is a function of the audit committee, the directors are specifically responsible for the implementation of measures to reduce as far as possible the operational risks posed by the potential for breakdown of equipment, supply chains, or defaults by the company's suppliers and customers. Regular updates in this regard are communicated to the board.

ENVIRONMENTAL MANAGEMENT AND OCCUPATIONAL HEALTH

SacOil's mineral resource is located in an environmentally sensitive area. The company works closely with the Minerals, Energy and Water Affairs Departments as well as with environmental groups to ensure that the effect of its operations on the environment is minimised. Strict measures are taken to ensure that the employees wear suitable protective equipment in certain areas of the plant which may be affected by dust or other contamination or by the handling of toxic materials.

EMPLOYMENT EQUITY

SacOil has prepared an employment equity plan and has undertaken a number of initiatives at operational level to improve the skills level and to reward initiative and hard work with rapid advancement and supervisory and management positions. Within the financial constraints of the group, this programme will be steadily advanced.

CERTIFICATE BY THE COMPANY SECRETARY

To the members of SacOil Holdings Limited

We hereby certify that SacOil Holdings Limited has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act, 1973. All such returns are correct and up to date.

Fusion Corporate Secretarial Services (Pty) Ltd
Company secretary

6 August 2009

STATEMENT OF ACCOUNTABILITY AND RESPONSIBILITY

The directors are responsible for the maintenance of accounting records and for the preparation, integrity and fair presentation of the annual financial statements and group annual financial statements of SacOil Holdings Limited. The annual financial statements of the group for the eight months ended 28 February 2009 have been prepared in accordance with the group's accounting policies, which comply with International Financial Reporting Standards and the presentation and disclosure requirements of International Accounting Standards statement IAS 34 and the requirements of the South African Companies Act of 1973 and are consistent with those of the previous year. They have been prepared on a going concern basis and include amounts based on judgments and estimates made by management. The directors have no reason to believe that the company will not be a going concern in the foreseeable future, based on forecasts and continued support from the company's major customer.

The directors have also prepared the other information included in this annual report and are responsible for both its accuracy and consistency with the financial statements.

The directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.

There has been no material change in the affairs and trading position of the company and its subsidiaries since the date of signature of the audit report and the date of the notice of annual general meeting.

The directors are not aware of any legal or arbitration proceedings active, pending or threatened against or being brought by the company, which may have a material effect on the group's financial position or which have had a material effect during the 12 months preceding the date of this notice of annual general meeting.

The financial statements have been audited by the independent accounting firm, Moore Stephens MWM Incorporated, which was given unrestricted access to all financial records and related data, including minutes of all shareholders, directors and committees of the board. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. The independent auditors' report is presented below.

The financial statements were approved by the board of directors on 6 August 2009 and are signed in its behalf by:

R LINNELL
Non-Executive Chairman

RT VELA
Executive director

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF SACOIL HOLDINGS LIMITED

We have audited the annual financial statements and group annual financial statements of Sacoil Holdings Ltd, which comprise the directors' report, the balance sheet and the consolidated balance sheet as at 28 February 2009, the income statement and the consolidated income statement, the statement of changes in equity and the consolidated statement of changes in equity, the cash flow statement and the consolidated cash flow statement for the 8 months then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 13 to 30.

DIRECTORS' RESPONSIBILITY TO 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. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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.

AUDITOR'S RESPONSIBILITY

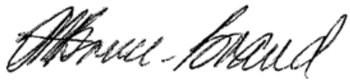
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether 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, the financial statements present fairly, in all material respects, the financial position of the company and of the group as at 28 February 2009, and their financial performance and their cash flows for the 8 months then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.



MOORE STEPHENS MWM INC
REGISTERED AUDITORS
F M Bruce-Brand
Houghton

6 August 2009

DIRECTORS' REPORT

The directors herewith present shareholders with the annual financial statements of the company and the group for the eight months ended 28 February 2009.

CHANGE OF YEAR END

In order to comply with the requirements of Section 293 of the Companies Act the board resolved to change the year end of the company to the last day of February to coincide with that of its holding company Encha Capital (Proprietary) Limited. The company therefore reports to shareholders on results for the eight months to 28 February 2009. Comparative amounts for the income statements, statements of changes in equity, cash flow statements and related notes are therefore not entirely comparable.

NATURE OF BUSINESS

The current business of the company is the exploration and evaluation of mineral deposits and the development and operation of mineral-based projects. Its main source of income is from the sales of Manganese Sulphate Monohydrate and Manganese Oxide.

FUTURE BUSINESS

The focus of the company has shifted to that of an integrated Oil and Gas company. The company is in the process of evaluating various value adding acquisition opportunities and considering additions to its financial and technical resources base which will be announced to shareholders in due course.

TRANSFER OF LISTING

SacOil's listing was transferred from the "Venture Capital Market" sector to the "Oil & Gas" sector of the Main Board of the JSE on 12 December 2008.

CHANGE OF NAME

At a general meeting that was held on 21 November 2008 the requisite special resolution was passed to change the company's name to SacOil Holdings Limited to better reflect the company's current and future business operations.

FINANCIAL RESULTS

The results of the company and the group and the state of its affairs are set out in the annual financial statements and accompanying notes.

DIVIDENDS

No dividend has been proposed or declared for the eight months ended 28 February 2009.

DIRECTORS' INTEREST IN SHARES

At 28 February 2009 the directors were directly beneficially interested in 32 721 656 (10.4%) (2008: 32 721 656 (10.4%)) issued ordinary shares in the compan y, as set out below. No indirect interests existed at 28 February 2009.

DIRECTORS' REPORT

continued

	2009 Direct beneficial	2008 Direct beneficial
BH Christie	**32 421 656**	32 421 656
C Bird	**300 000**	300 000
TOTAL	**32 721 656**	32 721 656

At the date of approval of this annual report the directors were directly beneficially interested in 32 784 111 (10,5%) issued ordinary shares in the company, as set out below:

	Direct Beneficial
BH Christie	27 484 111
C Bird	5 300 000
TOTAL	32 784 111

DIRECTORS

Details of the company's directors can be found on page 2 of this report.

SEGMENTAL REPORTING

The directors consider manganese product sales to be the only business segment as well as the primary reporting segment. All primary revenue segment reporting requirements are contained in the group annual financial statements and originate from the Greenhills plant near Graskop, Mpumalanga.

The directors consider the geographic segment to be the secondary reporting segment. There are two material geographic segments, namely local and export sales.

	Group and company Eight months 28 February 2009 R	**%**	Group and company Twelve months 30 June 2008 R	%
Export sales	**12 564 412**	**60**	12 103 789	56
Local sales	**8 237 611**	**40**	9 706 140	44
	20 802 023	**100**	21 809 929	100

SUBSEQUENT EVENTS

Other than as set out above in this report, there have been no material events subsequent to 28 February 2009 up to the date of this report which require disclosure.

DIRECTORS' REPORT

continued

Brief CV's of the directors

NAME	ADDRESS	DESIGNATION	BRIEF CV
Richard John Linnell (South African) (64)	Coal House, Pinewood Office Park, 33 Riley Road, Woodmead	Chairman – non-executive	Appointed 19 September 2002. Richard Linnell is an experienced geologist, who has worked with various companies which now form part of the BHP Billiton Group, culminating and running the Samancor manganese operations and Billiton's exploration and development activities in South Africa. He is a former non-executive director of BHP Billiton (SA) Limited and is Chairman of Coal of Africa Limited. Richard was instrumental in the establishment of the Bakubung Initiative, a multi-stakeholder project designed to rejuvenate the South African Mining industry. He is a Director of several Listed Junior Mining Companies.
Colin Bird (British) (65)	1 Larchwood Glade, Camberley, Surrey, GU15 3UW, United Kingdom	Non-executive	Appointed 20 April 2008. Colin Bird has a Diploma in Mining Engineering, is a Fellow of the Institute of Materials, Minerals and Mining and is a certified Mine Manager both in the UK and SA. The formative part of his career was spent with the National Coal Board in UK and thereafter he moved to the Zambia Consolidated Copper mines and then to South Africa to work in a management position with Anglo American Coal. On his return to the UK he was Technical and Operations Director of Costain Mining Limited, which involved responsibility for gold operations in the Argentina, Venezuela and Spain. In addition to his coal mining activities he has been involved in the management of Nickel, Copper, Gold and other diverse mineral operations. He has founded and floated several public companies in the resource sector and served on resource company boards in the UK, Canada and South Africa.

DIRECTORS' REPORT

continued

NAME	ADDRESS	DESIGNATION	BRIEF CV
Brian Hunter Christie (British) (61)	Sasfin Place, 27 Scott Street, Waverly	Non-executive	Appointed 7 November 1997. Brian Christie has a Masters Degree in Law from Cambridge University. He has 21 years' experience in a financial advisory capacity, working first for a major South African banking group, then for a leading stockbroker and finally forming his own consultancy. He is presently a consultant to Sasfin Bank Limited.
Robin Vela (British) (38)	119 Rosen Office Park, 37 Invicta road, Midrand	Executive	Appointed 25 February 2008. Robin Vela is a Chartered Accountant and seasoned investment banker, having co-founded a private equity firm and worked for over 10 years as a senior investment banker for leading blue chip investment banking houses in the city of London. In this role, he advised public and private companies in a wide range of industry sectors in the areas of fund raising, stock exchange requirements, mergers and acquisitions, flotations and related transactions. Robin has a Bachelor of Science degree (honours) in Economics and Accounting from the University of Bristol, UK, and is a member of the UK Securities Institute (having been the prize winner by distinction in his qualification examination sitting).Robin is the financial director of the company and the audit committee of the company are satisfied that he has the appropriate expertise and experience to fulfil this function.

INCOME STATEMENTS

for the eight months ended 28 February 2009

	Notes	**Group 2009 R**	**Company 2009 R**	Group 2008* R	Company 2008 R
Turnover		**20 802 023**	**20 802 023**	21 809 929	21 809 929
Cost of sales		**(16 395 402)**	**(16 395 402)**	(16 960 202)	(16 960 202)
Gross profit		**4 406 621**	**4 406 621**	4 849 727	4 849 727
Operating costs		**(7 849 675)**	**(7 849 675)**	(9 956 821)	(9 956 821)
Loss from operations	1	**(3 443 054)**	**(3 443 054)**	(5 107 094)	(5 107 094)
Impairment losses		**(382 772)**	**(382 772)**	(5 159 393)	(5 159 393)
Share-based payment expense		**(23 753 656)**	**(23 753 656)**	–	–
Realised gain on insurance claim		**–**	**–**	501 055	501 055
Investment income	2	**557 421**	**557 421**	326 536	326 536
Interest paid		**(93 204)**	**(93 204)**	(78 320)	(78 320)
Loss before tax		**(27 115 265)**	**(27 115 265)**	(9 517 216)	(9 517 216)
Taxation		**–**	**–**	–	–
Loss for the year		**(27 115 265)**	**(27 115 265)**	(9 517 216)	(9 517 216)
Weighted average number of shares		**313 291 614**		167 592 528	
Basic loss per share (cents)	6	**(8.65)**		(5.68)	
Diluted loss per share (cents)	6	**(8.64)**		(5.68)	
Headline loss per share (cents)	6	**(8.65)**		(2.90)	
Diluted headline loss per share (cents)	6	**(8.64)**		(2.90)	

** Comparative information represents twelve months to 30 June 2008.*

BALANCE SHEETS

at 28 February 2009

	Notes	Group February 2009 R	Company February 2009 R	Group June 2008 R	Company June 2008 R
ASSETS					
Non-current assets		**7 708 573**	**7 708 573**	5 230 142	5 230 142
Property, plant and equipment	7	**4 837 783**	**4 837 783**	5 230 142	5 230 142
Loans receivable	8	**2 870 790**	**2 870 790**	–	–
Current assets		**40 369 102**	**40 369 102**	46 791 674	46 791 674
Loans receivable	8	**27 866 821**	**27 866 821**	27 866 821	27 866 821
Inventories	9	**2 048 152**	**2 048 152**	1 454 409	1 454 409
Trade accounts receivable	10	**2 627 883**	**2 627 883**	3 730 797	3 730 797
Sundry accounts receivable	11	**970 393**	**970 393**	1 920 392	1 920 392
Cash and cash equivalents	12	**6 855 853**	**6 855 853**	11 819 255	11 819 255
Total assets		**48 077 675**	**48 077 675**	52 021 816	52 021 816
EQUITY AND LIABILITIES					
Equity attributable to equity holders		**41 063 905**	**41 063 905**	44 425 514	44 425 514
Stated capital	13	**83 725 538**	**83 725 538**	83 725 538	83 725 538
Share based payment reserve		**23 753 656**	**23 753 656**	–	–
Accumulated loss		**(66 415 289)**	**(66 415 289)**	(39 300 024)	(39 300 024)
Non-current liabilities		**705 972**	**705 972**	625 972	625 972
Provision for environmental rehabilitation	14	**705 972**	**705 972**	625 972	625 972
Current liabilities		**6 307 798**	**6 307 798**	6 970 330	6 970 330
Trade accounts payable		**3 536 595**	**3 536 595**	3 546 156	3 546 156
Loans payable	15	**2 502 964**	**2 502 964**	2 502 964	2 502 964
Sundry accounts payable		**268 239**	**268 239**	921 210	921 210
Total equity and liabilities		**48 077 675**	**48 077 675**	52 021 816	52 021 816
Number of shares in issue		**313 291 614**		313 291 614	
Net asset value per share (cents)		**13.11**		14.18	

STATEMENTS OF CHANGES IN EQUITY

for the eight months ended 28 February 2009

	Group 2009 R	**Company 2009 R**	Group 2008* R	Company 2008 R
Stated Capital				
Opening balance	**83 725 538**	**83 725 538**	3 742 749	3 742 749
– Transfer from share premium	**–**	**–**	27 152 471	27 152 471
– Shares issued for cash	**–**	**–**	54 148 090	54 148 090
– Expenses written off against stated capital	**–**	**–**	(1 317 772)	(1 317 772)
Closing balance	**83 725 538**	**83 725 538**	83 725 538	83 725 538
Share premium				
Opening balance	**–**	**–**	27 152 000	27 152 000
– Transfer to stated capital	**–**	**–**	(27 152 000)	(27 152 000)
Closing balance	**–**	**–**	–	–
Accumulated loss				
Opening balance	**(39 300 024)**	**(39 300 024)**	(29 782 808)	(29 782 808)
Loss for the year	**(27 115 265)**	**(27 115 265)**	(9 517 216)	(9 517 216)
Closing balance	**(66 415 289)**	**(66 415 289)**	(39 300 024)	(39 300 024)
Share based payment reserve				
Opening balance	**–**	**–**	–	–
Share based payment expense	**23 753 656**	**23 753 656**	–	–
Closing balance	**23 753 656**	**23 753 656**	–	–

** Comparative information represents twelve months to 30 June 2008.*

SACOIL

CASH FLOW STATEMENTS

for the eight months ended 28 February 2009

	Notes	**Group 2009 R**	**Company 2009 R**	Group 2008* R	Company 2008 R
Cash utilized in operating activities	16.1	**(2 154 810)**	**(2 154 810)**	(6 102 030)	(6 102 030)
Finance costs		**(93 204)**	**(93 204)**	(78 320)	(78 320)
Investment income		**493 628**	**493 628**	326 536	326 536
Net cash flows from operating activities		**(1 754 386)**	**(1 754 386)**	(5 853 814)	(5 853 814)
Cash flows from investing activities					
Additions to property, plant and equipment		**(19 249)**	**(19 249)**	(680 641)	(680 641)
Proceeds from insurance claim		–	–	501 055	501 055
Net cash flows from investing activities		**(19 249)**	**(19 249)**	(179 585)	(179 585)
Cash flows from financing activities					
Increase in loans receivable		**(3 189 767)**	**(3 189 767)**	(27 866 821)	(27 866 821)
Decrease in loans payable		–	–	(7 275 456)	(7 275 456)
Shares issued for cash net of expenses		–	–	52 830 318	52 830 318
		(3 189 767)	**(3 189 767)**	17 688 040	17 688 040
Net movement in cash and cash equivalents		**(4 963 402)**	**(4 963 402)**	11 654 641	11 654 641
Cash and cash equivalents at the beginning of the year		**11 819 255**	**11 819 255**	164 614	164 614
Cash and cash equivalents at the end of the year		**6 855 853**	**6 855 853**	11 819 255	11 819 255

** Comparative information represents twelve months to 30 June 2008.*

ACCOUNTING POLICIES

for the eight months ended 28 February 2009

1. BASIS OF PREPARATION

The annual financial statements of the Group have been prepared in compliance with International Financial Reporting Standards ("IFRS") and the presentation and disclosure requirements of International Accounting Standards ("IAS") statement IAS 34 and the requirements of the South African Companies Act 61 of 1973 and are consistent with those of the previous reporting period. They have been prepared on a going concern basis.

New standards and amendments to published standards in issue at 28 February 2009 but not yet effective, that will be applicable to the group in the future are:

	Effective for annual periods beginning on or after
IAS 1 – Presentation of Financial Statements a revised approach	1 January 2009
IAS 23 – Borrowing Costs (revised)	1 January 2009
IAS 27 – Consolidated and Separate Financial Statements	1 July 2009
IAS 39 – Financial Instruments Recognition and Measurement – Eligible Hedged Items	1 July 2009
IFRS 2 – Share-based Payments – Vesting Conditions and Cancellations	1 January 2009

The group has assessed the significance of these new standards, amendments to standards and new interpretations, which will be applicable from 1 January 2009 and later years and concluded that they will have no material financial impact. Currently, the company does not expect IFRS 8 to have an impact on the geographic segments definition.

2. SIGNIFICANT JUDGMENTS

In preparing the financial statements management is required to make estimates and assumptions that effect the amounts represented in the financial statements and related disclosures. Use of available information and application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgments include:

Mineral reserves that are the basis of future cash flow estimates and unit of production depreciation, asset impairments, provision for rehabilitation and decommissioning, reclamation and closure obligations, fair values and accounting treatment of financial instruments and deferred taxation.

3. FINANCIAL INSTRUMENTS

Financial instruments carried on the balance sheet include loans, investments, cash and cash equivalents, accounts receivable and accounts payable. All financial instruments are initially measured at fair value. In the case of financial instruments not classified as at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument are added to the fair value.

ACCOUNTING POLICIES

continued

3.1 Accounts receivable and loans

Accounts receivable and loans originated by the company are measured at amortized cost using the effective interest rate method.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

3.2 Investments

Share and loan investments

Share and loan investments are classified as available-for-sale financial assets and are subsequently measured at fair value. Investments are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. In terms of IAS 39, fair value adjustments for the period on available-for-sale assets are recognised directly in equity, through the statement of changes in equity.

A deferred tax asset and/or liability is recognised through equity on the potential unrealised capital gains and/or losses from available-for-sale financial assets.

Investments in subsidiaries

Group annual financial statements

The group annual financial statements include those of the holding company and its subsidiaries. The results of the subsidiaries are included from the effective date of acquisition.

On acquisition the group recognizes the subsidiary's assets, liabilities and contingent liabilities at fair value, except for asset classified as held-for-sale, which are recognised at fair value less costs to sell.

Company annual financial statements

In the company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

3.3 Cash and cash equivalents

Cash and cash equivalents are measured at cost which is deemed to be the fair value as they have a short-term maturity.

ACCOUNTING POLICIES

continued

3.4 Accounts payable and loans

Financial liabilities are subsequently measured at amortized cost, being original debt value less principal repayments and amortization.

3.5 Financial assets and liabilities at fair value through profit and loss

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when the group has a legal right to set off the recognised amounts and intends to either settle on a net basis or to realise the asset and the liability simultaneously.

3.6 Derecognition of assets and liabilities

Assets

Assets are derecognized from the balance sheet when the contractual rights expire or when the group transfers the asset and does not retain substantially all the risks and rewards of ownership or control.

Liabilities

Liabilities are derecognized from the balance sheet when the obligation is discharged or expires.

4. INVENTORY

Inventories are stated at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead costs, are assigned to inventories using the method most appropriate to the particular class of inventory. Methods used are:

4.1 Finished manganese products are valued at the moving average cost including materials, direct labour and an appropriate portion of fixed and variable overhead costs.

4.2 Consumables stores and maintenance spares are valued at cost on a moving average basis.

4.3 Raw materials are valued at cost on a moving average basis.

5. STATED CAPITAL

Stated capital is recognised at the fair value of the consideration received by the company.

6. REVENUE RECOGNITION

Revenue is recognised at the fair value of the consideration received or receivable to the extent that it is probable that economic benefits will flow to the group and it can reliably measured.

6.1 Turnover

The sale of mining products is recognised when the significant risks and rewards of ownership of the products are transferred to the buyer.

6.2 Interest income

Interest income is recognised on a time proportion basis that takes into account the effective yield on the asset.

6.3 Dividend Income

Dividend income is recognised when the right to receive payment is established.

7. BORROWING COSTS

Borrowing costs are recognised as expenses in the period in which they occur.

8. DEFERRED TAXATION

Deferred taxation is provided using the balance sheet method, on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred tax assets or liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the asset can be utilised.

9. CURRENT TAX ASSETS AND LIABILITIES

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax assets and liabilities for the current and prior period are measured at the amount expected to be recovered from or paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

10. TAX EXPENSE

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, directly in equity; or
- a business combination

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

11. DIVIDENDS PAYABLE

Dividends payable are recognised when the shareholder's right to receive payment is determined by the declaration of a dividend by the directors.

12. PROVISIONS

Provisions are recognised when:

- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

ACCOUNTING POLICIES

continued

13. ENVIRONMENTAL EXPENDITURE

The group has long term decommissioning and rehabilitation liabilities in relation to its environmental management plans, in compliance with current environmental and regulatory requirements.

13.1 Decommissioning costs

The provision for decommissioning represents the cost that will be incurred to rectify environmental damage. Accordingly an asset is recognised and included in property, plant and equipment. Decommissioning costs are provided at the present value of the costs estimated to settle the obligation. Expert evaluation is used to estimate the quantum of such costs. The unwinding of the decommissioning obligation is included in the income statement. Estimated future costs of decommissioning are reviewed regularly and adjusted as appropriate for new evidence or changes in legislation or technology. Changes in estimates are capitalized or reversed against the relevant assets. Gains or losses on the expected disposal of mining assets are not taken into account when estimating the costs.

13.2 Rehabilitation costs

The provision for rehabilitation represents the cost of restoring site damage after the commencement of mining activities. Provision for costs are charged to the income statement as a cost of production. Expert evaluation together with management judgment is used to estimate the quantum of such costs.

14. PROPERTY PLANT AND EQUIPMENT

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Assets forming part of the long term infrastructure of mining operations including buildings, plant and equipment, roads and dams are depreciated evenly over the remaining useful life of the mining operation or a maximum period of 20 years whichever is the shorter. Depreciation on mining assets is deferred until the relevant asset is brought into economic use.

Mineral rights and mining claims which are exploited are valued at historical cost and are amortized over their estimated useful lives using the unit-of-production method. Mineral rights and mining claims which are not being exploited are not amortized.

Depreciation is calculated on the straight line method to write off the cost of each asset, or the re-valued amounts, to their residual values over their estimated useful lives. The depreciation rates applicable to each category of property plant and equipment are as follows:

Motor vehicles	4 Years
Office equipment	3 Years
Plant and equipment	10 Years

After careful consideration and following an impairment of the value of the plant in the previous reporting period, the directors re-assessed the life span of the plant and felt it prudent to reduce the expected useful life of the plant to 10 years.

15. SHARE-BASED PAYMENTS

Certain employees and/or directors of the company, as determined by the directors, from time to time are participants of the Share Option Scheme only if and to the extent that options are granted to such persons pursuant to the Scheme.

Equity-settled share-based payments are measured at fair value at the date of grant. The equity-settled share-based payments are expensed to the income statement over a straight line basis over the vesting period based on the group's estimate of shares that will eventually vest. Vesting conditions, other than market conditions, are not taken into account when estimating the fair value of the share options at the grant date.

The fair value is determined using the Black-Scholes model which is then discounted to take into account the inherent limitations of this model as well as the lack of marketability of the options.

16. COMPARATIVE INFORMATION

The presentation and classification of items in the financial statements are retained from one period to another unless an International Financial Reporting Standard requires a change in presentation.

DEFINITION OF TERMS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

CASH FLOW

Financing activities

Activities which result in changes to the capital structure of the company.

Investing activities

Activities relating to the acquisition, holding and disposal of long-term assets and investments.

Operating activities

Activities that are not investing or financing activities.

Cash and cash equivalents

Cash resources include cash at bank and deposits in the money market and short dated marketable investments with registered financial institutions, at fair value.

EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) basis

Net profit/(loss) after tax divided by the weighted average number of ordinary shares in issue during the year.

HEADLINE EARNINGS/(LOSS) PER SHARE

Earnings attributable to ordinary shareholders, adjusted for profits and losses on capital items recognizing the tax impacts of these adjustments, divided by the weighted average number of ordinary shares in issue during the year.

EFFECTIVE TAX RATE

The normal taxation charge in the income statement as a percentage of earnings.

NET ASSET VALUE PER SHARE

Stated capital and reserves divided by the number of shares in issue, net of treasury shares, and expressed in cents per share.

WEIGHTED AVERAGE NUMBER OF SHARES

The number of shares in issue at the beginning of the year, increased by shares issued during the year, weighted on a time basis for the period during which they have participated in income.

NOTES TO THE FINANCIAL STATEMENTS

at 28 February 2009

	Group 2009 R	Company 2009 R	Group 2008 R	Company 2008 R
1. LOSS FROM OPERATIONS				
The operating loss is stated after taking into account:				
Expenses				
Auditors' remuneration				
– Audit fee	**167 100**	**167 100**	30 000	30 000
– Overprovision prior years	**–**	**–**	(217 738)	(217 738)
	167 100	**167 100**	(187 738)	(187 738)
Penalties and Interest – SARS	**91 703**	**91 703**	78 000	78 000
Interest paid	**1 500**	**1 500**	0.321	0.321
Staff costs	**2 437 076**	**2 437 076**	3 001 209	3 001 209
Depreciation – Office equipment	**12 178**	**12 178**	10 226	10 226
Depreciation – Plant and equipment	**385 769**	**385 769**	798 437	798 437
Depreciation – Decommissioning costs	**13 660**	**13 660**	20 000	20 000
Impairment loss on revaluation of property, plant and equipment	**–**	**–**	5 159 393	5 159 393
Impairment loss on revaluation of loans receivable (Note 8)	**382 772**	**382 772**	–	–
Income				
Investment income	**557 421**	**557 421**	326 536	326 536
Profit on insurance claim	**–**	**–**	501 055	501 055
2. INVESTMENT INCOME				
Interest received – cash and cash equivalents and loans	**557 421**	**557 421**	326 536	326 536
3. DIRECTORS' EMOLUMENTS				
Executive directors				
S Rowse – Resigned 31 July 2008				
For services as director	**10 000**	**10 000**	50 000	50 000
R Vela – Appointed 25 February 2008				
For services as director	**80 000**	**80 000**	50 000	50 000
Non-executive directors				
RJ Linnell (Chairman) – Appointed 19 September 2002				
For services as director	**120 000**	**120 000**	75 000	75 000
C Bird – Appointed 9 April 2008				
For services as director	**105 000**	**105 000**	–	–
BH Christie – Appointed 7 November 1997				
For services as director	**80 000**	**80 000**	50 000	50 000
Total directors' emoluments	**395 000**	**395 000**	225 000	225 000

NOTES TO THE FINANCIAL STATEMENTS

continued

		Group 2009 %	Company 2009 %	Group 2008 %	Company 2008 %
4.	**TAXATION**				
	TAXATION EXPENSE				
	South African normal tax				
	Current income tax charge	–	–	–	–
	Adjustments in respect of current tax of prior periods	–	–	–	–
	Adjustments in respect of deferred tax of prior periods	–	–	–	–
	Deferred tax	–	–	–	–
		–	–	–	–
	Reconciliation of the rate of taxation				
	Effective rate per the Income Statement	**0.0**	**0.0**	0.0	0.0
	Permanent differences	**0.2**	**0.2**	0.4	0.4
	Adjustments in respect of a reduction in the nominal tax rate	**0.0**	**0.0**	(1.0)	(1.0)
	Deferred tax asset not recognised	**27.8**	**27.8**	28.6	28.6
	South African normal tax rate	**28.0**	**28.0**	28.0	28.0

5. DIVIDENDS PAID

The board has resolved not to declare any dividend to shareholders for this reporting period.

6. LOSS PER SHARE

The loss per share has been calculated on a loss of R27 115 265 (2008: loss of R9 517 216) and a weighted average number of shares in issue of 313 291 614 (2008: 167 592 528).

The diluted loss per share has been calculated on a loss of R27 115 265 (2008: loss of R9 517 216) and a weighted average number of shares in issue of 313 863 466 (2008: 167 592 528). The diluted headline loss per share has been calculated on a weighted average number of shares in issue of 313 863 466 (2008: 167 592 528)

	Group 2009 R	Group 2008 R
Reconciliation of headline loss		
Loss for the period	**(27 115 265)**	(9 517 216)
Realised gain on insurance claim	–	(501 055)
Impairment losses	–	5 159 393
Headline loss	**(27 115 265)**	(4 858 878)
Headline loss per share (cents)	**(8.65)**	(2.90)
Diluted headline loss per share (cents)	**(8.64)**	(2.90)

NOTES TO THE FINANCIAL STATEMENTS

continued

7. PROPERTY PLANT AND EQUIPMENT

COMPANY

	2009 Cost R	2009 Accumulated depreciation/ impairment R	2009 Carrying value R	2008 Cost R	2008 Accumulated depreciation/ impairment R	2008 Carrying value R
COMPANY						
Mining claims	**18 000**	**–**	**18 000**	18 000	–	18 000
Plant and equipment	**5 786 534**	**1 172 303**	**4 614 231**	15 866 511	10 866 511	5 000 000
Motor vehicles	**208 923**	**208 922**	**0.002**	208 923	208 922	0.002
Office equipment	**57 198**	**22 404**	**34 794**	37 949	10 226	27 723
Decommissioning costs	**310 188**	**139 432**	**170 756**	310 188	125 771	184 417
	6 380 843	**1 543 061**	**4 837 783**	16 441 571	11 211 428	5 230 142
GROUP						
Mining claims	**18 000**	**–**	**18 000**	18 000	–	18 000
Plant and equipment	**5 786 534**	**1 172 303**	**4 614 231**	15 866 511	10 866 511	5 000 000
Motor vehicles	**208 923**	**208 922**	**0.002**	208 923	208 922	0.002
Office equipment	**57 198**	**22 404**	**34 794**	37 949	10 226	27 723
Decommissioning costs	**310 188**	**139 432**	**170 756**	310 188	125 771	184 417
	6 380 843	**1 543 061**	**4 837 783**	16 441 571	11 211 428	5 230 142

Reconciliation of carrying values

	Carrying value at beginning of year R	Disposals R	Additions R	Depreciation/ Impairment R	Carrying value at end of year R
2009					
GROUP AND COMPANY					
Mining claims	**18 000**	**–**	**–**	**–**	**18 000**
Plant and equipment	**5 000 000**	**–**	**–**	**(385 769)**	**4 614 231**
Motor vehicles	**0.002**	**–**	**–**	**–**	**0.002**
Office equipment	**27 723**	**–**	**19 249**	**(12 178)**	**34 794**
Decommissioning costs	**184 417**	**–**	**–**	**(13 661)**	**170 756**
	5 230 142	**–**	**19 249**	**(411 608)**	**4 837 783**

	Group 2009 R	**Company 2009 R**	Group 2008 R	Company 2008 R
8. LOANS RECEIVABLE				
Non-current				
At fair value through profit and loss				
– Pioneer Coal Limited	**2 870 790**	**2 870 790**	–	–

During November 2008 expenses paid by the company on behalf of Pioneer Coal Limited ("Pioneer") in an amount of R1.19 million were debited to a loan account. A further loan was made in December 2008, in an amount of R2 million. The purpose of these loans is to provide Pioneer with seed capital to set up the company as a coal exploration company. Pioneer Coal shall not be obliged to pay interest for a period of one year ("initial period") from the date that Pioneer Coal is granted a listing by the JSE Limited. Should the loan not be repaid in full by the end of the initial period, interest on the loan amount will become payable from the day that a listing is granted. Included in the loss for the eight months is a fair value loss in the amount of R0,4 million in relation to these loans.

Current				
– South Africa Congo Oil Company (Proprietary) Limited ("SacOil")	**16 160 000**	**16 160 000**	16 160 000	16 160 000
– Divine Inspiration Group (Proprietary) Limited ("DIG")	**11 706 821**	**11 706 821**	11 706 821	11 706 821
	27 866 821	**27 866 821**	27 866 821	27 866 821

Repayment of the loans is subject to conditions specified in the respective loan agreements. In the event of the conditions not being met, the loans are repayable by the borrowers within 5 days of receiving written demand from the company requiring repayment of the loans.

Upon conclusion of the SacOil transaction, the indebtedness of DIG to the company under the relevant loan agreement will be set-off against the indebtedness of SacOil to DIG under the SacOil agreement. The indebtedness of SacOil to the company under the relevant loan agreement will be capitalised to the value of the exploration and evaluation asset on conclusion of the transaction.

The loans advanced to DIG and SacOil are interest free and are secured by pledges and sureties normal for transactions of this nature.

9. INVENTORIES				
– Raw materials and production supplies	**728 581**	728 581	**641 051**	641 051
– Production in process	**80 568**	80 568	**33 878**	33 878
– Engineering stock	**601 696**	601 696	**–**	–
– Final product	**637 306**	637 306	**779 480**	779 480
	2 048 151	2 048 151	**1 454 409**	1 454 409

NOTES TO THE FINANCIAL STATEMENTS

continued

	Group 2009 R	Company 2009 R	Group 2008 R	Company 2008 R
10. TRADE ACCOUNTS RECEIVABLE				
Trade accounts receivable	**2 627 883**	**2 627 883**	3 730 797	3 730 797

The company's anchor client maintained their production levels during the economic downturn, and orders from them for MSP are continuing as normal.

During the period under review more than 10% of the company's revenues were derived from the anchor client.

The following revenues were received for the period under review:	**11 412 848**	**11 412 848**	10 111 884	10 111 884
11. SUNDRY ACCOUNTS RECEIVABLE				
Loans receivable	**132 228**	**132 228**	132 228	132 228
Deposits	**4 120**	**4 120**	4 120	4 120
Value Added Tax	**834 045**	**834 045**	1 784 044	1 784 044
	970 393	**970 393**	1 920 392	1 920 392
12. CASH AND CASH EQUIVALENTS				
Cash at bank	**2 290 254**	**2 290 254**	2 887 745	2 887 745
Call deposits	**4 565 599**	**4 565 599**	8 931 510	8 931 510
	6 855 853	**6 855 853**	11 819 255	11 819 255

The company has no overdraft or loan facilities.

13. STATED CAPITAL				
Authorised				
Number of ordinary shares of no par value	**10 000 000 000**	**10 000 000 000**	10 000 000 000	10 000 000 000
Issued				
Number of ordinary shares of no par value	**313 291 614**	**313 291 614**	313 291 614	313 291 614
Stated capital	**83 725 538**	**83 725 538**	83 725 538	83 725 538

In terms of a resolution passed by shareholders at the last Annual General Meeting the unissued share capital is under the control of the Board.

		Group 2009 R	Company 2009 R	Group 2008 R	Company 2008 R
14.	**PROVISIONS**				
	Provision for environmental rehabilitation	**705 972**	**705 972**	625 972	625 972

The provision for rehabilitation represents the estimated cost of restoring site damage after the commencement of mining activities. Provision for costs are charged to the income statement as a cost of production.

In terms of an environmental study, the company will need approximately R1,6 million to restore the site damage after the commencement of mining activities.

The current provision is increased by R120 000 per annum.

		Group 2009 R	Company 2009 R	Group 2008 R	Company 2008 R
15	**LOANS**				
	– Unsecured loan	**2 502 964**	**2 502 964**	2 502 964	2 502 964

The loan is interest free and has no repayment terms.

16 CASH FLOW INFORMATION

	Group 2009 R	Company 2009 R	Group 2008 R	Company 2008 R
16.1 Cash flows from operating activities				
Loss before tax	**(27 115 265)**	**(27 115 265)**	(9 517 216)	(9 517 216)
Adjustments for:				
– Share based payment expense	**23 753 656**	**23 753 656**		
– Investment income	**(557 421)**	**(557 421)**	(326 536)	(326 536)
– Interest paid	**93 204**	**93 204**	78 320	78 320
– Depreciation	**411 607**	**411 607**	830 370	830 370
– Movement in provisions	**80 000**	**80 000**	100 000	100 000
– Realised profit on insurance claim	**–**	**–**	(501 055)	(501 055)
– Impairment loss	**382 772**	**382 772**	5 159 393	5 159 393
	(2 951 447)	**(2 951 447)**	(4 176 724)	(4 176 724)
Cash utilised in movements in working capital				
Increase in stock	**(593 743)**	**(593 743)**	(982 664)	(982 664)
Decrease/(increase) in accounts receivable	**2 052 913**	**2 052 913**	(2 917 410)	(2 917 410)
(Decrease)/increase in accounts payable	**(662 533)**	**(662 533)**	1 974 769	1 974 769
	796 637	**796 637**	(1 925 305)	(1 925 305)
Cash utilised in operating activities	**(2 154 810)**	**(2 154 810)**	(6 102 029)	(6 102 029)

continued

17. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

	2009 Number of shares	**2009** % of total issued shares	2008 Number of shares	2008 % of total issued shares
17.1 Directors' interests in shares				
The directors' emoluments are disclosed at note 3.				
17.2 Directors' shareholding				
BH Christie				
– Direct beneficial	**32 421 656**	**10.3**	32 421 656	10.3
C Bird				
– Direct beneficial	**300 000**	**0.1**	300 000	0.1
	32 721 656	**10.4**	32 721 656	10.4

Subsequent to year end the following dealings by directors were reported:

	Number of shares acquired/ (sold)	**Dates of dealings**	**Number of shares after dealing**	**% of total issued shares**
Director				
BH Christie				
– Direct beneficial	**(4 938 000)**	**10-Jul-09 and 22-Jul-09**	**27 484 111**	**8.8**
C Bird				
– Direct beneficial	**5 000 000**	**22-Jul-09**	**5 300 000**	**1.7**
			32 784 111	**10.5**

17.3 Directors' interests

Save as set out above, none of the directors had any interest in any transaction which is or was unusual in its nature or conditions, or material to the business of the company, and that was effected during the current or immediately preceding financial year, which remains in any respect outstanding or unperformed.

Mr. R Vela is a director of Lonsa (Proprietary) Limited, which, in terms of a mandate dated 22 February 2008 as corporate finance advisor to the company: introduced, structured, negotiated and project managed the SacOil transaction on behalf of the company and will charge a contingent success fee for its services. Mr. B Christie is the head of Corporate Finance at Sasfin Capital, a division of Sasfin Bank Limited which is the sponsor to the company.

17.4 Subsidiaries

Baltimore Manganese Mine (Proprietary) Limited
Bushveld Pioneer (Proprietary) Limited
RDK Mining (Proprietary) Limited

The subsidiary companies are all dormant.

NOTES TO THE FINANCIAL STATEMENTS

continued

17.5 Holding company

Encha Capital (Proprietary) Limited, a subsidiary of Encha Group (Proprietary) Limited, currently holds 56,7% of the total issued shares of the company.

	Group 2009 R	**Company 2009 R**	Group 2008 R	Company 2008 R
– Administration fees charged to the company by Encha Group (Proprietary) Limited.	**238 723**	**238 723**	–	–

There were no transactions with any subsidiary companies within the Encha Group of companies.

18. SHARE OPTIONS

Outstanding at beginning of year	–
Granted during the period	41 986 136
Exercised during the period	–
Outstanding at end of year	41 986 136
Exercise price (cents)	0.8215
Total number of options granted	41 986 136
Total number of options vesting in 2009	41 986 136
Fair value of the call option (cents)	0.57
Total number of options exercised in 2009	–
Fair value was determined by using the Black Scholes Merton Valuation Model. The following inputs were used:	
– value of underlying share (cents)	80
– average risk free rate (%)	8.14%
– volatility (%)	84.53%
– expected dividends (cents)	–

At 28 February 2009, the directors held 41 986 136 share options as follows:

Name	**Number of options**	**Option price**	**Date granted**
R Vela	8 397 227	0.8215	21-Nov-08
B Christie	8 397 227	0.8215	21-Nov-08
C Bird	12 595 841	0.8215	21-Nov-08
R Linnell	12 595 841	0.8215	21-Nov-08
Total	41 986 136		

NOTES TO THE FINANCIAL STATEMENTS

continued

19. FINANCIAL RISK MANAGEMENT

The company manages its financial instruments in terms of credit risk, interest rate risk, liquidity risk.

19.1 Credit risk

Cash & cash equivalents

Cash and cash equivalents represents cash at bank and cash held at financial institutions. The company has no borrowing facilities.

Accounts receivable

Due to the nature of accounts receivable (including pre-payments, Value Added Tax and dividends receivable), the risk related to accounts receivable is low.

19.2 Interest rate risk

Cash & cash equivalents

Cash and cash equivalents comprise current accounts and call deposits. During the year under review, the call deposits attracted interest at rates averaging 6% per annum.

Accounts receivable and payable

Due to the short-term nature of accounts receivable and payable, the company is not exposed to any material interest rate risk.

19.3 Liquidity risk

Treasury management on a regular basis, ensures that the company has sufficient liquidity to meet its ongoing commitments based on forecasts. This liquidity management is achieved through a combination of call term deposits and sufficient short-term facilities where necessary.

Accounts receivable and payable

The collection of accounts receivable is actively managed. The cash conversion profile of accounts receivable is built into liquidity management.

Accounts payable are paid when the amount is due, unless an early settlement discount is offered which is then taken.

20. COMMITMENTS

The company has no material commitments.

SACOIL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1993/000460/06)
Share code: SCL isin: ZAE0000127460
("SACOIL" or "the company")

Notice is hereby given that the fourteenth annual general meeting of shareholders of the company will be held at SacOil, in the boardroom, 119 Rosen Office Park, 37 Invicta Road, Midrand at 11:00 on Friday, 27 November 2009 for the purpose of considering and, if deemed fit, passing, with or without modification, the special and ordinary resolutions set out below.

ORDINARY RESOLUTION NUMBER 1

To receive and approve the group annual financial statements for the eight months ended 28 February 2009.

ORDINARY RESOLUTION NUMBER 2

To re-elect the following directors who retire in accordance with the provisions of the company's Articles of Association ("Articles") and offering themselves for re-election. The directors, their contact details and brief CV's are set out on page 16:

2.1 RT Vela

2.2 C Bird

ORDINARY RESOLUTION NUMBER 3

To confirm the appointment of the group's auditors, Moore Stephens and FM Bruce-Brand as the individual designated auditor of the company, for the coming year and to approve auditors' remuneration for the eight months ended 28 February 2009. Refer to note 1 to the annual financial statements.

ORDINARY RESOLUTION NUMBER 4

To approve directors' remuneration for the eight months ended 28 February 2009, in terms of the company's Articles of Association. Refer to note 3 to the annual financial statements.

ORDINARY RESOLUTION NUMBER 5

To place the unissued ordinary shares of the company under the control of the directors in terms of Section 221 of the Companies Act, (Act 61 of 1973) (as amended) and to renew the authority of the directors, subject to the provisions of section 221 and 222 of the Companies Act (Act 61 of 1973)(as amended), and the Listing Requirements of the JSE Limited ("JSE"), to allot and issue any of the shares of the company to such person or persons on such terms and conditions as they may deem fit. Such authority shall expire at the next annual general meeting of the company.

ORDINARY RESOLUTION NUMBER 6

To authorise the directors of the company by way of general authority, to allot and issue unissued shares, options to acquire shares and convertible securities (together "securities") of the company for cash on such terms and conditions as they may deem fit, subject to no less than 75% of the shareholders present in person or by proxy and entitled to vote at the annual general meeting at which this ordinary resolution is to be considered, voting in favour thereof, subject to the following limitations:

- The securities must be of a class already in issue;
- The securities must be issued to public shareholders and not to related parties;

NOTICE OF ANNUAL GENERAL MEETING

continued

- The number of securities for cash in any one financial year may not exceed 15% of the Company's issued securities of that class;
- The maximum discount at which securities may be issued is 10% of the weighted average traded price of those securities over the 30 business days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities;
- A press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one year, 5% or more of the number of securities of that class in issue prior to the issues; and
- This general authority shall only be valid until the earlier of the company's next annual general meeting or the variation or revocation of this general authority by ordinary resolution at any general meeting of the company prior to such annual general meeting; provided that it shall not extend beyond fifteen months from the date of the passing of this ordinary resolution.

SPECIAL BUSINESS

To consider and, if deemed fit, to pass and renew, with or without modification, the following special resolution:

Special Resolution Number 1

"That the directors of the company and/or any of its subsidiary companies be and are hereby authorised, by way of a general authority, to repurchase ordinary shares issued by the company as provided for in sections 85 to 90 of the Companies Act (Act 61 of 1973) (as amended) and subject to the Listing Requirements of the JSE being that:

- Any such repurchase of shares shall be implemented on the open market of the JSE;
- That the repurchase of shares be effected through the order book operated by the JSE trading system and be done without any prior understanding or arrangement between the company and the counterparty;
- At any one time the company may only appoint one agent to effect any repurchase on the company's behalf;
- This general authority shall only be valid until the earlier of the company's next annual general meeting or the variation or revocation of this general authority by special resolution at any general meeting of the company prior to such annual general meeting; provided that it shall not extend beyond fifteen months from the date of the passing of this special resolution;
- When the company has cumulatively repurchased 3% of the number of a class of shares on the date of passing of this special resolution number 1 ("the initial number"), and for each 3% in aggregate of the initial number of that class of shares acquired thereafter, an announcement will be published as soon as possible and not later than 08H30 on the second business day following the date on which the relevant threshold is reached or exceeded, and the announcement must comply with JSE Listings Requirements;
- Any general repurchase by the company of its own shares shall not, in aggregate, in any one financial year exceed 20% of the company's issued shares of that class as at the date of the passing of this special resolution number 1;
- In determining the price at which the shares issued by the company are repurchased by it in terms of this general authority, the maximum price at which such shares may be repurchased will be 10% above the weighted average of the market value of such shares for the five business days immediately preceding the date of repurchase of such shares.

NOTICE OF ANNUAL GENERAL MEETING

continued

- the company may only undertake a repurchase of shares if, after such repurchase, it still complies with paragraphs 3.37 to 3.41 of the JSE Listings Requirements concerning shareholder spread requirements;
- the company or its subsidiary may not repurchase shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period.

Reason and effect

The reason and effect of special resolution number 1 is to grant the company a general approval in terms of the Companies Act (Act 61 of 1973) as amended ("the Act"), for the repurchase of shares of the company. Such general authority will provide the board with flexibility, subject to the requirements of the Act and the JSE, to repurchase shares should it be in the interest of the company at any time while the general authority exists. This general approval shall be valid until the earlier of the next annual general meeting of the company, or its variation or revocation of such general authority by special resolution by a subsequent general meeting of the company, provided that the general authority shall not be extended beyond 15 months from the date of passing of this special resolution.

The board has considered the impact of a repurchase of 20% of the company's shares, being the maximum permissible under a general authority in terms of the Listings Requirements, and is of the opinion that:

- The company and the group in the ordinary course of business will be able to pay its debts for a period of 12 months after the general repurchase;
- The assets of the company and the group exceed the liabilities of the company and the group for a period of 12 months after the general repurchase, calculated in accordance with International Financial Reporting Standards used in the group audited financial statements for the period ended 28 February 2009;
- The ordinary capital and reserves of the company and the group for a period of 12 months after the general repurchase will be adequate;
- The working capital of the company and the group for a period of 12 months after the repurchase will be adequate.
- The company will provide the sponsor and the JSE with all documentation as required in Schedule 25 of the JSE Listings Requirements and will not recommence any repurchase programme until the sponsor has signed off on the adequacy of its working capital, advised the JSE accordingly.

Information related to JSE Listing Requirement 11.26 can be found in the annual report on the page reference below:

	Page no.
Directors and management	2
Major shareholders	3
Directors' interests in securities	3
Stated capital of the company	33

NOTICE OF ANNUAL GENERAL MEETING

continued

- ***Directors' responsibility statement***

  The directors, whose names are set out in this report, collectively and individually accept full responsibility for the accuracy of the information contained in this special resolution number 1 and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement false or misleading and that they have made all reasonable enquiries in this regard and that the notice contains all information required by law and the JSE Listing Requirements.

- ***Litigation statement***

  There are no legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the company is aware), which may have or have had a material effect on the group's financial position over the last 12 months.

- ***Material changes***

  There have been no material changes in the financial or trading position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

VOTING AND PROXIES

Each shareholder who, being a natural person, is present in person, by proxy or agent, or, being a company, is present by representative proxy or agent at the annual general meeting is entitled to one vote on a show of hands. On a poll, each shareholder, whether present in person or by proxy, or by representation, is entitled to one vote for each share held.

A form of proxy is attached for use by certificated or own name shareholders who are unable to attend the annual general meeting but wish to be represented thereat. They are required to complete and return the form of proxy so as to be received by the transfer secretaries of the company, Link Market Services South Africa (Proprietary) Limited, 11 Diagonal street, 5th floor, Johannesburg 2001 (PO Box 4844, Johannesburg 2000), by not later than 11:00 on Wednesday, 25 November 2009.

In terms of the custody agreements entered into by dematerialised shareholders and their Central Securities Depository Participant ("CSDP") or brokers:

- dematerialised shareholders other than own name shareholders who wish to attend the general meeting must instruct their CSDP or broker to issue them with the necessary Letter of Representation to attend the annual general meeting;
- dematerialised shareholders other then own name shareholders who wish to be represented at the annual general meeting by way of proxy must provide their CSDP or broker with their voting instructions by the cut-off time or date advised by their CSDP or broker for transactions of this nature.

Each certificated or own name dematerialised shareholder entitled to attend and vote at the annual general meeting may appoint one or more proxies (none of whom need be a SacOil shareholder) to attend, speak and vote in his/her stead. The completion and lodging of a form of proxy will not preclude a shareholder from attending the annual general meeting and speaking and voting thereat to the exclusion of the proxy so appointed.

By order of the board

M van den Berg
Company secretary

Johannesburg
6 August 2009

SACOIL HOLDINGS LIMITED

FORM OF PROXY

SACOIL

SACOIL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1993/000460/06)
Share code: SCL isin: ZAE0000127460
("SACOIL" or "the company")

FORM OF PROXY FOR USE BY CERTIFICATED AND "OWN NAME" DEMATERIALISED ORDINARY SHAREHOLDERS ONLY AT AN ANNUAL GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY TO BE HELD AT 11:00 ON 27 NOVEMBER 2009

A certificated or own name dematerialised SacOil ordinary shareholder entitled to attend and vote at the annual general meeting of shareholders of the company, convened to be held in the boardroom, 119 Rosen Office Park, 37 Invicta Road, Midrand, Gauteng at 11:00 on Friday, 27 November 2009, is entitled to appoint a proxy, or proxies, to attend, speak and vote thereat in his/her stead. A proxy need not be a shareholder of the company. All forms of proxy must be lodged with the transfer secretaries, Link Market Services South Africa (Proprietary) Limited, 11 Diagonal street, 5th floor, Johannesburg, 2001 (PO Box 4844, Johannesburg 2000), by not later than 11:00 on Wednesday, 25 November 2009.

Dematerialised shareholders who wish to attend the annual general meeting or vote by way of proxy must contact their CSDP or broker who will provide them with the necessary Letter of Representation to vote or carry out their instructions. This must be effected in terms of the custody agreement entered into between the shareholder and the CSDP or broker concerned.

I/We (NAME IN FULL – IN BLOCK LETTERS) ______________________________

Of (address) ______________________________

being the holder(s) of: ______________________________ ordinary shares

in the company, hereby appoint ______________________________ (see note 1):

1. ______________________________ or failing him/her

2. ______________________________ or failing him/her

3. the chairman of the annual general meeting

as my/ our proxy to act for me/ us on my/our behalf at the annual general meeting of the company convened to be held at 11:00 on Friday, 27 November 2009 for the purpose of considering and, if deemed fit, passing, with or without modification, the special and ordinary resolutions to be proposed thereat and at each adjournment thereof and to vote for or against the said special and ordinary resolutions or to abstain from voting in respect of the shares in the issued capital of the company registered in my/our name(s), in accordance with the following instructions (see note 2):

	For	Against	Abstain
Ordinary resolution number 1 Approval of financial statements			
Ordinary resolution number 2 To re-elect directors in terms of the company's Articles of Association:			
2.1 RT Vela			
2.2 C Bird			
Ordinary resolution number 3 To re-elect the company's auditors and approve audit fees			
Ordinary resolution number 4 To approve directors' remuneration			
Ordinary resolution number 5 To place unissued shares at the disposal and under control of the directors			
Ordinary resolution number 6 To authorise the directors by way of general authority to allot and issue shares in the company for cash			
Special resolution number 1 To authorise the company and/or any of its subsidiary companies to, by way of a general authority, acquire shares issued by the company.			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of ordinary shares held in respect of which you desire to vote (see note 2).

Please read the notes on the reverse side of this form of proxy

FORM OF PROXY

continued

Signed at on 2009

Signature

Assisted by me (where applicable)

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, speak and, on a poll, vote in place of that member at the annual general meeting.

Notes:

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the chairman of the annual general meeting", but any such deletion must be initialled by the member. The person whose name stands first on the 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.
2. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of ordinary shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he/ she deems fit in respect of the entire member's votes exercisable thereat. A shareholder or his/ her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
3. Forms of proxy must be lodged with or posted to the transfer secretaries, Link Market Services South Africa (Proprietary) Limited, 11 Diagonal street, 5th floor, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), to be received by not later than Wednesday, 25 November 2009.
4. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer secretaries or waived by the chairman of the annual general meeting.
6. Any alteration of correction made to this form of proxy must be initialled by the signatory/(ies).
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the company.
8. The chairman of the annual general meeting may accept any form of proxy which is completed other than in accordance with these notes if the chairman of the annual general meeting is satisfied as to the manner in which the shareholder wishes to vote.
9. The date must be filled in on this form of proxy when it is signed.