sasol
reaching new frontiers

sasol inzalo

Sasol BEE Ordinary Shares information brochure

Please ensure that you read and understand the following about what is said in this booklet.

This booklet summarises information regarding the listing and the trading or other disposal of Sasol BEE Ordinary Shares, particularly on the JSE. Although this booklet has been prepared with care, it is only a summary and should be treated as such. The summarised information in this booklet is not investment advice or legal advice. You should not rely on this booklet to give you detailed information about the listing and the trading or other disposal of Sasol BEE Ordinary Shares on and off the JSE. For more detailed information, you should:

- *read the Sasol Circular to Sasol Shareholders dated 1 November 2010 regarding the listing of Sasol BEE Ordinary Shares on the JSE. This circular can be found on Sasol's website, **www.sasol.com**;*
- *if you are a Sasol BEE Ordinary Shareholder, read the agreements to which you are bound concerning your Sasol BEE Ordinary Shares;*
- *speak to your advisor or, if you have one, your stockbroker; and*
- *contact the Computershare Call Centre, whose contact details appear in this booklet.*

This booklet or any part of it is not an offer or an invitation to buy Sasol Inzalo BEE Ordinary Shares or any shares in Sasol.

sasol
reaching new frontiers

Dear investor

In order to fulfill our commitment to our shareholders, we and the JSE have been working for over a year to expand the JSE's existing share trading market to include the trading of Sasol BEE Ordinary Shares, purchased through the Sasol Inzalo cash invitation in 2008. This has been a ground breaking initiative requiring a great deal of time and effort on our part and that of the JSE and various other role players. Our shareholders overwhelmingly endorsed the decision to list the Sasol BEE Ordinary Shares on the JSE at our general meeting held during November 2010.

The JSE's BEE scheme share trading facility has now been established. From Monday, 7 February 2011, subject to the amendments to the JSE's and STRATE's rules and directives having been formally approved, Sasol BEE Ordinary Shares will be listed on the JSE resulting in Sasol BEE Ordinary Shareholders being able to trade their Sasol BEE Ordinary Shares, with BEE Compliant Persons, on the JSE.

In line with our commitment to broad-based shareholder development, we have planned road shows in all the provinces of the country to provide insight and guidance on the mechanics of trading shares on the JSE. No investment advice will be given.

We are pleased to have partnered with the JSE to create this BEE scheme share trading facility that will make it easier to buy and sell Sasol BEE Ordinary Shares. This listing indeed marks an exciting time for trading of Sasol BEE Ordinary Shares.

Nolitha Fakude
Executive director
Sasol Limited

JSE JOHANNESBURG STOCK EXCHANGE

Trading Sasol BEE Ordinary Shares

Computershare Nominees (Pty) Ltd holds the Sasol BEE Ordinary Shares as registered holder for all Sasol BEE Ordinary Shareholders who participated in the bulk dematerialisation of their Sasol BEE Ordinary Shares. These shareholders will also have access to Computershare Nominees' dealing routing service.

Sasol BEE Ordinary Shareholders as well as members of the public, who are BEE Compliant Persons and may wish to acquire Sasol BEE Ordinary Shares, can direct queries relating to the trading of Sasol BEE Ordinary Shares on the JSE to the dedicated Computershare Call Centre.

The Computershare Call Centre can be contacted on the following numbers:

0800 000 222 *(South African calls)*

+27(0)11 373 0048 *(International calls)*

Computershare may also be contacted as follows:

- *by email on* ***sasolbeesales@computershare.co.za***
- *by visiting Computershare's walk-in centre at* ***70 Marshall Street, Johannesburg***
- *by contacting Computershare via post at* ***Computershare Sasol BEE Sales, Private Bag X4, Marshalltown 2017****.*

If you have a stockbroker you may contact your stockbroker to provide you with any further information that you may require regarding the trading of Sasol BEE Ordinary Shares on the JSE.

Investors can also visit Sasol's website at ***www.sasol.com/inzalo*** *which will host copies of all documents related to the trading of Sasol BEE Ordinary Shares.*

Prospective buyers who want to be in a position to buy Sasol BEE Ordinary Shares from 7 February 2011, should ensure that they have completed all documentation and have done everything necessary ***before*** *that date.*

Quick reference for Sasol BEE Ordinary Share trading

Selling Sasol BEE Ordinary Shares

Can all types of Sasol Inzalo Shares be sold?

From 8 September 2010 existing Sasol BEE Ordinary Shareholders (cash invitation) have been able to sell their Sasol BEE Ordinary Shares to BEE Compliant Persons. Sasol BEE Ordinary Shareholders will be able to sell their Sasol BEE Ordinary Shares on the JSE, which is anticipated to start from 7 February 2011.

Sasol Inzalo Ordinary Shareholders (funded invitation) will only be able to sell their Sasol Inzalo Ordinary Shares from 8 September 2011.

Do I have to sell my Sasol BEE Ordinary Shares?

No, it is your decision if you want to sell or not.

How many of my Sasol BEE Ordinary Shares can I sell?

You decide.

When should I sell my Sasol BEE Ordinary Shares?

You decide.

Should I take financial advice before I decide whether or not to sell my Sasol BEE Ordinary Shares?

You do not have to take financial advice but it may help you to decide. If you do take financial advice, a fee may be charged. Sasol cannot provide you with financial advice.

Who can I sell to?

You can only sell your Sasol BEE Ordinary Shares to BEE Compliant Persons up to 7 September 2018. After 7 September 2018, you can sell your Sasol BEE Ordinary Shares to anyone.

Can I transfer my Sasol BEE Ordinary Shares to my family or others without selling?

You do not have to sell your Sasol BEE Ordinary Shares; you can give them away to your family or others if you want to as long as they are BEE Compliant Persons. However, if you decide to give away your Sasol BEE Ordinary Shares, there may be tax consequences (e.g. donations tax, Capital Gains Tax etc.)

If you want to do this, please contact the Computershare Call Centre for assistance on how to do this. No tax advice will be available.

If I have decided that I want to sell all or some of my Sasol BEE Ordinary Shares, what do I do?

Contact the Computershare Call Centre, or your stockbroker if you have one.

If I have elected to retain my Sasol BEE Ordinary Shares in certificated form, what do I have to do if I want to sell any of these shares?

Contact the Computershare Call Centre to assist you to dematerialise your shares. This may take some time.

Buying Sasol BEE Ordinary Shares

Who can buy Sasol BEE Ordinary Shares?

Until 7 September 2018 only BEE Compliant Persons can buy and own Sasol BEE Ordinary Shares. As a buyer of Sasol BEE Ordinary Shares you will have to prove that you are a BEE Compliant Person before you can buy and own Sasol BEE Ordinary Shares.

Will I have to sign a contract if I buy Sasol BEE Ordinary Shares?

Yes, you will have to sign a BEE contract.

Who do I contact to sign this contract?

Contact the Computershare Call Centre or your stockbroker if you have one.

What documentation will I have to provide to buy Sasol BEE Ordinary Shares?

If you wish to buy Sasol BEE Ordinary Shares, you will have to provide the following documentation:

For buyers who are natural persons (individuals):

- a signed BEE Contract; and
- an extract (a certified copy or a copy of a certified copy) that reflects either that you were born in South Africa before 27 April 1994 **or** that your identity book was issued before 27 April 1994. If you cannot show either of these you must sign a Naturalisation Affidavit before a Commissioner of Oaths.

For buyers who are not natural persons (such as Companies, Close Corporations, Trusts, Stokvels etc.):

- a signed BEE contract;
- an extract of the authorising resolution of the buyer showing that the person signing the BEE Contract is authorised to sign the BEE Contract on behalf of the buyer; and
- a valid, unexpired BEE Certificate that indicates that more than 50% of the exercisable voting rights and more than 50% of the economic interests in the buyer (using only the flow through principle) are in the hands of BEE Compliant Persons.

The second part of this booklet has been prepared by the JSE for your ease of reference and to give you some insight and a general description on how trading of shares takes place on the JSE. It is not specific to Sasol BEE Ordinary shares.

The Johannesburg Stock Exchange (JSE)

When gold was discovered in South Africa in 1886, it quickly became apparent that a stock exchange was needed to raise money for the booming South African mining and financial industry. Thus, in 1887 the Johannesburg Stock Exchange (JSE) was born.

The JSE has a rich history of over 120 years and is South Africa's only full service securities exchange. The JSE allow brokers on behalf of investors, to trade in five different markets: equities (also referred to as shares or stocks), equity derivatives (futures and options), currency derivatives (futures and options), commodity derivatives (futures and options which now also includes foreign reference derivatives, namely gold, platinum, etc.) and interest rate products (futures and options as well as the cash market – bonds).

The trading of equities has moved from the traditional 'outcry' floor-based trading to modern fully electronic trading, clearing and settlement. Some of the JSE member firms (brokers) offer online share trading via their website or alternatively you could execute a transaction by contacting a broker via email, phone or fax.

Online share trading allows you to invest on the stock market at the click of a button, making it possible for you the investor, to buy and sell investment products via your broker's website whenever it suits you. This makes investing on the JSE quicker, easier and more accessible than ever before.

About shares

If you own a share in a company (also referred to as equities or stocks), you own a portion of a company and therefore are considered to be a shareholder. As a shareholder, you may receive cash flows, such as dividends, if the company's board of directors declares that the company has performed well and has enough profit to distribute to its shareholders. A share in the company gives you the right to vote on decisions affecting the company.

Benefits of investing in shares

As a shareholder you could receive the following monetary benefits:

- ***Capital growth*** – is the difference between the price paid for the share and its selling price, resulting in you making a profit. It is important that you understand the markets, speak to a financial advisor or your broker who knows the markets and will be able to give you some advice when buying or selling shares. Your financial advisor or broker will also be able to give you some guidance on what taxes are payable, for example, if one receives capital growth on ones investment, capital gains tax will be applicable and payable.
- ***Income (dividends)*** – when the company performs well and has enough profit, it will reward its shareholders and pay out a portion of its profits it to its shareholders in the form of dividends.

The price of a share is dependent on a number of factors

In principle if there are more investors willing to buy a particular company's shares (demand) than there are investors willing to sell that company's shares (supply), the share price will increase. The opposite is also true. Namely when supply is greater than demand it is likely that the share price will drop. Demand and supply are driven by market sentiment. Market sentiment is the market player's 'feeling' towards particular company shares as a result of certain company specific events or because of external forces e.g. political and/or economic changes.

Forms of shares

Only shares in electronic form can be bought and sold on the JSE. Share certificates used to be in paper form but have been converted into electronic form (this is otherwise referred to as dematerialised form). Investors can hold their cash and shares in dematerialised form with either a JSE member firm (broker) or a Central Security

Depositary Participant (CSDP). Although not recommended, shareholders can hold their shares in paper form. However, the shareholder cannot trade their shares until they have converted to electronic form.

Should a trade occur, five business days later the buyer receives their shares and the seller receives their money. Trading on the JSE is guaranteed. This ensures that you get your cash when you are selling or you get your securities when you are purchasing shares.

Risks involved when investing in shares

Although it has been proven historically that the returns on trading equities provides higher yields than trading in other products it should be noted that investing on the stock market is riskier than some other investments. The reason for this is that share prices rise and fall all the time as economic and market forces change. It is important to realise that share trading should not be viewed as a method of becoming rich overnight, but that it should rather be treated as a long term investment. It is also suggested that you should consult with your financial advisor or broker before you buy or sell shares.

Benefits of trading in listed shares on the JSE

Trading of listed shares on the JSE offers the following benefits:

- ***Guaranteed settlement*** – the end investor is guaranteed Delivery versus Payment (DvP). Shares will only be removed from the investor's account once the cash has been paid into their account;
- ***Investor protection*** – all trading on the JSE is regulated by the JSE through the JSE member firms (brokers). If the Directorate of Market Abuse (a Division of the Financial Services Board) in consultation with the JSE picks up that an investor is partaking in insider trading or is manipulating share prices they will be prosecuted by the Directorate of Market Abuse per the Securities Services Act (SSA). Where investors are unhappy with their service provider they may lodge complaints with the JSE Surveillance Division; contact **info@jse.co.za** to lodge your complaint;
- ***Electronic settlement*** – occurs through the Central Securities Depositary (CSD), Central Securities Depositary participants (CSDPs), and JSE member firms (brokers);
- ***No trading of paper share certificates*** – this eliminates the occurrence of stolen share certificates and fraud;
- ***Electronic holding of shares*** – portfolio statements are distributed to investors on a monthly basis;
- ***Investment advice and guidance*** – by the JSE member firm (broker) when investors trade through a JSE member firm;
- ***Various workshops and seminars*** – on the dynamics of financial markets, offered by JSE member firms and the JSE;
- ***Transparent prices*** – as the instruments are traded on the JSE, investors can easily determine the value of their investment at any point in time by accessing share prices made available in the press or on the JSE website; and
- ***Greater market scrutiny*** – the JSE surveillance function provides this as a consequence of the surveillance activities it performs. The JSE monitors insider trading, price manipulation and segregation of a client's assets where the client holds their assets with a JSE member firm (broker).

Trading on the JSE

To buy or sell shares on the JSE you need to open a trading account with a JSE member firm (broker).

A trading account is a particular account that an investor opens with a broker. Depending on which markets the broker is authorised to trade on, this account allows the investor to invest in multiple markets and/or products, including shares, Exchange Traded Funds (ETFs), derivatives, commodities, currencies, bonds and many more interesting JSE listed products.

Without a trading account, an investor would not be able to invest on the exchange, be it via online share trading or simply phoning your broker. Only authorised brokers of the JSE can offer you a trading account.

How trading shares takes place

When an investor decides to purchase a particular company's shares he/she either informs his/her broker of this decision via email, or telephonically. The investor can also make use of online share trading, where he/she enters a price at which they want to buy the shares at as well as the number of shares that need to be bought. This is known as a BUY ORDER.

At the same time another investor wants to sell the same company shares. The investor either informs their broker of this decision via email or telephonically, or enters this order via his/her online share trading account. The investor specifies the price they want to sell the shares at as well as the number of shares that need to be sold. This is known as a SELL ORDER.

Both orders are entered into the market by each respective broker. The orders MATCH in the trading engine based on price/time priority. Five business days later (T+5), the buyer receives the shares and the seller receives the money from the sale of the shares.

Stockbrokers

A stockbroker is a qualified person employed by a JSE member firm to buy and sell securities (shares, ETFs, etc.) and offers investment advice to investors along with many other services. Investors can only invest directly in investment products listed on the JSE through a JSE member firm. However, investors wishing to buy or sell ETFs through monthly instalments (debit orders) can contact the respective ETF providers and need not make use of a broker's service.

Fees that you should be aware of when trading on the exchange

Administration fee: this may vary depending on the broker. The investor can decide who to open a brokerage account with.

Brokerage fee: this is generally charged as a percentage of the investment amount; however some brokers charge a flat fee. Brokers generally have a minimum brokerage fee which varies. This fee is paid to the broker once a transaction has occurred, in other words, when shares have been bought or sold. The investor can decide who to open a brokerage account with.

Securities Transfer Tax (STT): this tax is charged by the South African Revenue Services (SARS) at 0.25% of the invested amount when shares are bought. This tax however does not apply when the investor sells their shares. Certain instruments are exempt from STT, such as warrants, Exchange Traded Funds (ETFs) and Exchange Traded Notes (ETNs).

Strate fee: Strate settlement fees, also referred to as Strate Ad Valorem, is currently (will change effective 1 March 2011) charged at 0.005459% based on the value of the share transaction with a minimum of R10.92 for trades with a value up to R200,000 and a maximum of R54.59 for trades with a value over R1 million.

Investor Protection Levy (IPL): this fee is charged by the Financial Services Board (FSB) Directorate of Market Abuse at 0.0002% of the investment amount. The levy helps to protect the investor against any wrong-doing by the broker.

VAT: is a tax paid to SARS and is charged at 14% on top of the brokerage fee, IPL and Strate fee charged.

Safe Custody fee (controlled client): a broker along with a CSDP safeguards the shares that are bought by the investor. The broker will charge a fee for this obligatory service.

Safe Custody fee (non-controlled client): a CSDP safeguards the investor's shares that are bought by the investor. The CSDP will charge a fee for this obligatory service.

Live share prices: live share prices are offered to the investor, but should the investor decide to make use of this service a monthly fee may apply. In some instances this fee may be included in the administration fee or monthly subscription fee.

Trading BEE scheme shares on the JSE

The BEE Share Scheme Trading Facility will form part of the JSE's Main Board and is created for companies that wish to list their BEE share schemes. Trading in BEE scheme shares is restricted to BEE compliant persons (Black people or groups as defined by the Broad-Based Black Economic Empowerment Act).

The trading facility will be a transparent and regulated environment for the trading of companies' BEE scheme shares.

A company already listed on the JSE will be able to list a separate class of shares, referred to as BEE securities, on the JSE. The JSE's BEE Share Scheme Trading Facility enables broad based share ownership and creates an opportunity for skills development within the financial markets through providing holders of listed BEE scheme shares with market education and access to the exchange.

Investing in listed BEE scheme shares

There are various options available to trade in BEE scheme shares, the first being through a broker.

Trading through a broker*

Investing in BEE scheme shares through a broker requires:

- Opening a trading account with a broker.
- Payment (on all transactions) of:
  - Brokerage fees
  - Settlement fees
  - Investor Protection Levies
  - Custodian or administrative fees (where applicable)
  - Taxes, namely STT and VAT (where applicable)
- Opening a trading account will enable the investor to invest in any JSE listed product, not only BEE scheme shares.
- Investors will need to provide their broker with FICA documentation in order to open a trading account.
- An investor has to sign a BEE contract. The BEE contract, which is prescribed by the JSE, comprises of generic terms and requirements. The additional terms of the listed company will be contained in their memorandum and articles of association.
- Individuals will need to provide their broker with a certified copy of their green bar-coded ID book (part of FICA documentation).
- A juristic person or an entity will need to provide their broker with a BEE certificate.

Issuer Sponsored Nominee (ISN) account**

The Issuer Sponsored Nominee (ISN) is a nominee account structure which is opened by the company for its shareholders to hold their BEE scheme shares. When there is an ISN, shareholders do not have to open separate accounts with brokers or CSDPs to hold or trade their BEE scheme shares.

Shareholders may buy and sell BEE scheme shares through the ISN.

The main benefit of trading through the ISN is that it offers a bulk trading service in which it bulks all transactions together before trading on the JSE which ultimately reduces trading fees.

* *Visit www.jse.co.za for a list of brokers.*

** *It should be noted that some companies that list their BEE scheme shares may not offer this service.*

Trading BEE scheme shares on the JSE (continued)

How will brokers ensure that the trading of BEE scheme shares is restricted to BEE compliant investors?

Brokers will be able to flag the fact that an investor is BEE compliant so as to provide a first level of enquiry for a trader before executing a trade in a BEE scheme share listed on the exchange.

A BEE compliant person will be determined by the definition incorporated in the Broad-Based Black Economic Empowerment Act, 2003 and the Broad-Based Black Economic Empowerment Codes of Good Practice (BEE Codes).

The JSE Rules and Directives sets out the requirements that brokers must follow in order to deal in BEE scheme shares listed on the BEE share scheme trading facility. Brokers will ensure that only BEE compliant parties that have signed a BEE contract can trade on the BEE share scheme trading facility.

The BEE contract

Whenever BEE scheme shares are traded on the JSE, a generic BEE contract as prescribed by the JSE must be signed by the beneficial shareholder, the registered shareholder and any such intermediaries who manage the beneficial shareholders BEE scheme shares.
A beneficial shareholder is defined in the JSE's Trading Rules as the person or entity to which the risks and rewards of share ownership are attributable. A Registered Shareholder is the person in whose name all BEE scheme shares will be registered. As per the JSE's Rules and Directives a broker may not trade for an investor unless a BEE contract is signed.

The BEE contract refers to the terms specific to each listed company's BEE scheme shares, which is contained in the company's memorandum and articles of association. This forms an integral part of the contract and must be read as if contained therein. Such specific terms will be contained in that listed company's constitution under the heading "Additional terms".
The memorandum and articles of association of the listed company are generally the regulations governing the relationships between the shareholders and the company. A copy of the memorandum and articles of association will be made available via the JSE's website.

The BEE contract will contain some of the following broad clauses:

- The holding and trading of BEE scheme shares is restricted to BEE Compliant Investors only;
- When BEE scheme shares listed on the JSE are purchased, the beneficial shareholder acknowledges and agrees that they will be bound by the memorandum and articles of association of the listed company; and
- In the event that the investor no longer complies with the requirements as laid out in the BEE contract or the memorandum and articles of association of the listed company; there may be repercussions (as laid out in the memorandum and articles of association of the listed company);
- The necessary restrictions, limitations and requirements are imposed by the listed company on the proposed beneficial shareholder in order to achieve the continued ownership of BEE securities by BEE Compliant Persons;
- The BEE contract comprises of generic terms applicable to listed companies and by incorporation additional specific terms relevant to a particular listed company's BEE securities (which are contained in the listed company's memorandum and articles of association); and
- The beneficial owner indemnifies the various parties involved with the transaction against any claim, in terms of the BEE contract.

What is the BEE certificate and where do you obtain this certificate?

A BEE certificate is an original or copy of a BEE certificate issued by a verification agency accredited by the accreditation body contemplated in the BEE Codes, certifying that the juristic person or an entity identified in the BEE certificate is a BEE Compliant Person.

SASOL
INZALO

sasol
reaching new frontiers

www.sasol.com

Computershare

Computershare Investor Services (Pty) Limited
70 Marshall Street, Johannesburg 2001
PO Box 61051, Marshalltown 2017
Telephone: +27(0) 11 370 7700

JSE JOHANNESBURG STOCK EXCHANGE