

20 February 2018

The Audit Committee Chairperson
c/o The Company Secretary

Dear Sir/ Madam

Johannesburg
Stock Exchange

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JSE PROACTIVE MONITORING PROCESS

Please find attached the JSE's latest report on the pro-active monitoring of financial statements for compliance with IFRS ("**the 2017 report**"). This is our 7th such report to the market. This report and those from previous years are available on the JSE website (<https://www.jse.co.za/current-companies/issuer-regulation/accounting-matters>).

In line with the process introduced in 2016, we hereby request that this report be tabled at a meeting of your audit committee for their consideration. The reports from 2011 to 2016 should also be considered to the extent that you have a new accounting matter, for example as the result a corporate action.

The JSE has found that there is a significant improvement in the quality of financial reporting when companies take time to consider the contents and findings of the reports. We therefore once again request that, in the annual compliance certificate submitted to the JSE, you confirm that this report and if necessary those of previous periods were considered and that the audit committee has taken appropriate action to apply the findings. All annual compliance certificates lodged on or after 1 April 2018 must make reference to the 2017 report whilst those lodged before then must, at least, make reference to the 2016 report.

Yours faithfully



A F VISSER: GENERAL MANAGER
ISSUER REGULATION

Cc Sponsors/ Designated advisors –Equity Issuers, Sponsors-Interest rate/Debt Issuers

Executive Directors: NF Newton-King (CEO), A Takoordeen (CFO)

Non-Executive Directors: N Nyembezi-Heita (Chairman), AD Botha, Dr M Jordaan, Dr SP Kana, DM Lawrence, Dr MA Matooane, AM Mazwai, NP Mnxasana, NG Payne

Alternate Directors: JH Burke, LV Parsons

Group Company Secretary: GA Brookes