



Dated: June 2008

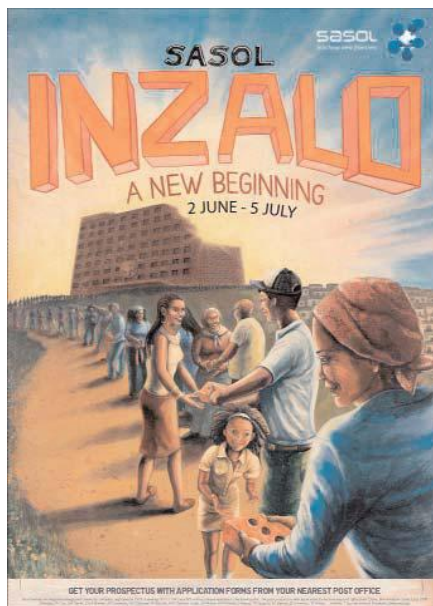
PROGRAM LEADERSHIP AT BARNSTONE AND THE IMPLEMENTATION OF A STRATEGIC EMPOWERMENT INITIATIVE IN EXCESS OF R50 BILLION IN VALUE

Sasol Project Inzalo

Sasol is an integrated energy and chemicals company. They add value to coal, oil and gas reserves, using these feed stocks to produce liquid fuels, fuel components and chemicals through unique, proprietary technologies. Sasol mines coal in South Africa and produce gas in Mozambique and oil in Gabon, and their chemical manufacturing and marketing operations span the globe. In South Africa Sasol refines imported crude oil and retail liquid fuel products through their network of retail convenience centres. Sasol also supply fuels to other distributors in the region and gas to industrial customers. Based in South Africa, Sasol is represented in some 30 countries and employs about 34 000 people. Sasol is listed on the JSE Limited in South Africa and the New York Stock Exchange in the USA.

Delivering South African transformation

Sasol is committed to South Africa's transformation and to making broad-based black economic empowerment (BEE) a reality. Sasol's own transformation is underpinned by their ethos to reach new frontiers in all aspects of their business, as well as in their contributions to the communities in which they operate. Reaching new frontiers in transformation Sasol Inzalo ("a new beginning") is their groundbreaking R24 billion broad-based BEE transaction, the largest such transaction in South Africa. It has given millions of ordinary black South Africans the opportunity to own a part of Sasol and benefit from their success into the future. For more than 300 000 new shareholders, ranging from Sasol employees to the black public to women's groups, Sasol Inzalo will create significant economic opportunity. Due to its innovative structure, the legacy of this transaction also extends to a major investment in skills development, critical for South Africa's future success. The resultant share allocation of the Inzalo transaction can be seen in the table below.



	% of Sasol	Shares (millions)
Employee share ownership schemes	4,0	25,2
The Sasol Inzalo Foundation	1,5	9,5
Selected participants	1,5	9,5
Black public	3,0	18,9
Total	10	



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Back ground to the deal

Sasol on 29 May announced its invitation to the general Black Public and the names of 50 black groups that will participate in Sasol's R28 billion broad-based Inzalo BEE transaction. This event which was hosted at the Sandton Convention centre attracted more than 700 people from the public and media. With great fanfare Sasol announced its transaction to the general public to open on 2 June. Comments from the Deputy President, the Minister of Trade and Industry as well as Minister of Minerals and Energy indicated strong support for the Sasol transaction. (Picture left to right: Chris Venter (Sasol Project Manager), Nolitha Fakude (Executive Director HR and Transformation), Pat Davies (Sasol Chief Executive), Jan van den Berg (Barnstone Project Manager)



Sasol is committed to South Africa's transformation and wish to make broad-based black economic empowerment a reality. Sasol believes empowerment is about creating opportunities and delivering socio-economic processes that will directly contribute to the economic transformation of South Africa. "Inzalo" is a powerful word signifying birth, creation of life and new beginnings and will usher in a new era of broad-based ownership and give momentum to skills development and economic capacity building. Sasol gives equal weight to the other pillars of sustainable broad-based BEE which is done through management diversity, employment equity, preferential procurement and the development of BEE enterprises.

Selected Broad based groups

The total share value of the selected groups is in the order of R4,7 billion, based on Sasol's market capitalization as on 27 May 2008. The selected participants include women's groups in energy and mining, Sasol's business suppliers, customers, franchisees and trade union investment companies, as well as groups focusing on broader empowerment objectives



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such as skills and community upliftment projects. Professional associations have also been included.

The broad-based group participation announcement follows a May 16 approval of the total Inzalo transaction by Sasol's shareholders. In terms of the transaction, participants will acquire ownership of 10% Sasol's share capital as follows: broad-based groups (1,5%); members of the black public (3%) ; Sasol Employees (4%) and the Sasol Foundation (1,5%). The groups that we have chosen as selected participants meet two broad requirements – those that already have a business relationship with Sasol, and those that can readily assist Sasol in meeting important objectives in terms of education and community upliftment. Nolitha Fakude, who is Sasol's HR director, is also leading the Sasol Inzalo project.

The broad-based group selection followed a rigorous eight month long process. A total of 19 broad-based groups and 31 involved groups have accepted an invitation to participate. These groups were selected out of 486 applications. Included in the involved group are two union investment groups, CEPPWAWU Investments and NACTU Investment Holdings Inzalo (Proprietary) Limited, Both have members employed at Sasol. The single largest involved participant, with exposure to R820 million of Sasol shares, is Abrina, a group established by Sasol's retail convenience centre franchisees. The shareholding in Abrina includes about 3 900 employees of the individual franchisees who will benefit from 37,5% of the share capital of Abrina through a trust. Another 234 Abrina shareholders representing approximately 100 franchise owners will hold the balance of the shares in Abrina. About 85% of the benefit accruing to Abrina will be for the benefit of Black People.

On the broad-based group front, Sasol selected nine organisations and groups involved in skills and community development. Participants include the CIDA Empowerment Fund, Shalumka Foundation, Soul City Broad-based Empowerment Company and the Centre for the Advancement of Science & Maths Education. Professional organisations and associations that were invited to participate include the Association for Advancement of Black Accountants in South Africa and the Black Information Technology Empowerment Company Limited. Certain other groups in the facilitation Trust also fall into this category and good progress is being made to bring these groups into the selected participant fold.

An important focus area for Sasol is the participation of black women's groups and especially those in energy and mining. For Nolitha Fakude it was important that black women's groups participated meaningfully in this transaction.

The black women groups include among others; Amanda Esizwe Consortium, South African Women in Mining Investment Holding, Women in Oil and Energy South Africa, and the Western Cape Women Investment Forum.

Sasol is finalising the process of black groups invited to participate as selected participants to acquire these shares.

In the interim, it has created a trust which will hold these shares until they are allocated to those selected groups.

The names of these groups will be made known once their participation has been finalised.

Black Public Invitation

The aim of the Black Public Invitations is to provide as many Black People as possible with the opportunity to acquire shares in Sasol Inzalo and/or Sasol. The intention of the Black Public Invitations is to make available indirectly and directly up to 3% of Sasol's issued share capital to members of the Black Public. In total, up to 18 923 764 Sasol Inzalo Ordinary Shares and Sasol BEE Ordinary Shares will be made available under the Black Public



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Invitations. The actual number of Sasol Inzalo Ordinary Shares and Sasol BEE Ordinary Shares that will be issued will depend on the number of applications received under the respective Black Public Invitations. Sasol will adjust the number of shares allotted and issued under each of the Black Public Invitations such that the total number of Sasol Inzalo Ordinary Shares and Sasol BEE Ordinary Shares issued to members of the Black Public will collectively not exceed 18 923 764 shares.

It is however expected that approximately 16 085 200 Sasol Inzalo Ordinary Shares (an effective 2,6% of Sasol's issued share capital) and approximately 2 838 564 Sasol BEE Ordinary Shares (an effective 0,4% of Sasol's issued share capital) will be subscribed for by members of the Black Public. The two Black Public Invitations cater for the needs of different investors.

The Funded Invitation is an invitation to members of the Black Public to apply for as many Sasol Inzalo Ordinary Shares as they wish, at R18,30 per share for the first 100 Sasol Inzalo Ordinary Shares and R36,60 per Sasol Inzalo Ordinary Share thereafter. Members of the Black Public must pay a minimum of R457,50 for 25 Sasol Inzalo Ordinary Shares. Sasol Inzalo will use the proceeds of the subscriptions under the Funded Invitation to subscribe for 100% of the ordinary shares in a company ("Fundco") which in turn will use such proceeds together with preference share funding to subscribe for Sasol Preferred Ordinary Shares in Sasol. The preference share funding has been raised from Sasol and banks in South Africa.

The Funded Invitation has been designed, taking into account the preference share funding provided by Sasol and the Financing Institutions, to reduce the amount of money that one must pay to buy shares in Sasol Inzalo. The preference share funding provided by Sasol and the Financing Institutions should make it possible for many Black People and Black Groups to apply for shares in Sasol Inzalo.

The Sasol Inzalo Ordinary Shares will be subject to certain restrictions for the first ten years, as described in the Funded Invitation Prospectus. For every one Sasol Preferred Ordinary Share in Sasol, there will be one Sasol Inzalo Ordinary Share. Sasol Inzalo Shareholders will therefore have an indirect exposure to Sasol Preferred Ordinary Shares through Sasol Inzalo and Fundco.

The Cash Invitation is an invitation to members of the Black Public to apply for as many Sasol BEE Ordinary Shares as they wish at R366,00 per Sasol BEE Ordinary Share. Sasol BEE Ordinary Shareholders will hold shares directly in Sasol. The purchase price of the Sasol BEE Ordinary Shares will be funded entirely by members of the Black Public who apply for Sasol BEE Ordinary Shares.

This project is a great achievement for Barnstone and certainly attracted the attention from key executives within Sasol. For the team that invested a huge number of hours on this project again a word of thanks and appreciation.

Deon Crafford, Steve du Randt, Fritz Bezuidenhout, Iain Campbell and James Kennedy did an excellent piece of work and supported the client beyond the call of duty. For more information on the transaction please visit www.sasol.com



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Q&A with Nolitha Fakude, executive director responsible for Inzalo



Q. Sasol Inzalo was a journey that took more than two years. What was a highlight?

A. Truly broad-based empowerment was a cornerstone of the Sasol Inzalo transaction. We wanted to offer an opportunity to the many South Africans who may previously not have had access to an investment of this nature. When the invitations closed, more than 90% of the applicants had applied for fewer than 200 shares, giving us a clear indication of our broad-based success.

Q. What were some of your major challenges in bringing Sasol Inzalo to life?

A. The huge scale of this transaction created its own challenges, with little precedent for the many complexities a deal of this magnitude presents. I think the real challenge was creating a transaction to forge a new path for empowerment and then communicating the opportunity effectively. We shared the Sasol Inzalo message with people at places like taxi ranks and train stations, at stokvel meetings and on national road shows and I believe we have succeeded in conveying our message directly into communities.

Q. Why was there such a groundswell of support?

A. I think it was a combination of factors. The options of a cash and a funded invitation made Sasol Inzalo accessible to people who had as little as R457,50 to invest and this opened the opportunity to so many more people. Our shareholder education programme and national road shows were also most helpful in creating energy and interest around Sasol Inzalo and the opportunity it presented for a long-term investment.

Q. What will be the most important legacy of Sasol Inzalo?

A. The Sasol Inzalo Foundation, with a focus on science, maths and technology, has been allocated R3,5 billion worth of shares that will be used to make a tangible and sustainable impact on skills development. We need to be one of the catalysts in developing a new generation of mathematicians, scientists and innovators for South Africa. We are very proud that the Sasol Inzalo legacy will not just be about economically empowering individuals but also skills enhancement.