SASOL GAS LIMITED

PFG INTERCONNECTION LICENCE
APPLICATION
TO CONSTRUCT A GAS TRANSMISSION
FACILITY IN THE EKURHULENI AREA,
SPRINGS, GAUTENG

NATIONAL ENERGY REGULATOR

APPLICATION FOR LICENCE IN TERMS OF SECTION 15(1)(a) OF THE GAS ACT, 2001
(NO. 48 OF 2001)
INDEX

Contents

CHAPTER 1 .................................................................................................................................2
SECTION A: Particulars of Applicant ......................................................................................2
SECTION B: Desired Commencement Date and Duration .....................................................3
SECTION C: Additional Information ........................................................................................4
SECTION D: Licence Conditions .............................................................................................5
SECTION E: Solemn Declaration by Applicant / Mandated Representative .........................8

CHAPTER 2 ...............................................................................................................................11
Item 1 Certified copy of the applicant’s identity document. ........................................................11
Item 2 In the case of non-South African citizen ..........................................................................13
Item 3: Certificate of Incorporation .............................................................................................14
Item 4: Shareholding Structure and Certificates ........................................................................18
Item 5: Criteria Specified in terms of section (19)2 of the Act ....................................................22
Item 6: Administrative Abilities of the Applicant. ........................................................................24
Item 7: Financial Abilities of the Applicant. .................................................................................27
Item 8: Technical Abilities of the Applicant .................................................................................29
Item 9: Facility Ownership ..........................................................................................................38
Item 10: Certified Copy of the Record of Decision of the Relevant Environmental Authorisation ..................................................................................................................40
Item 11: Solemn Declaration Outlining the Applicant’s Plans and Ability ..................................42
Item 12: Solemn Declaration ......................................................................................................44

Item 13: List of all Applicable Legislation: Operating, Technical Standards, Codes and Specifications .............................................................................................................................46

Item 14: Technical Specifications of the Gas to be handled at the facility .................................48

Item 15: Promotion of Historically Disadvantaged South Africans .............................................50

CHAPTER 3 (GALA.t.F1) ...........................................................................................................52

Item 1: Description of the Proposed Facility ...............................................................................52

Item 2: Mechanical flow diagram ................................................................................................54

Item 3: Financial Viability of the Proposed Facility .....................................................................57
    (a) Commercial Structure ..................................................................................................57
    (b) Projected financial statements and / or discounted cash flow (DCF) model ...............57
    (c) The status and or / proof of equity financing agreements and finance including terms and conditions ........................................................................................................................57
    (d) Other costs incidental to the project ............................................................................57

SASOL GAS PRICING PHILOSOPHY ......................................................................................58

Item 4: Details of the Gas Source ..............................................................................................60
    (a) Copy of an independent reservoir engineer’s assessment ..........................................60
    (c) Gas production program to supply gas for the project .................................................60
    (c) Copy of the gas importation agreement .......................................................................60

Item 5: Details of Existing and Potential Customers for the Proposed Facility ..........................62
    (a) The names and physical addresses of existing customers .........................................62
    (b) The names and physical addresses of potential customers ........................................62
    (c) Categorization of each customer .................................................................................62
    (d) The average or anticipated gas consumption in Gigajoules ........................................62

Item 6: Gas transportation agreements ......................................................................................64

Item 7: Allocation Mechanism ....................................................................................................66

Item 8: Pipeline capacity, Investment plans and Timelines for Service Commencement ..........68
    (a) Pipeline capacity such as additions of compressor stations or any other infrastructure that may require a new licence; .................................................................68
    (b) Investment Plan and the Schedule of Implementation ................................................68
    (c) Timelines for service commencement .....................................................................68

Item 9: Evidence of Compliance with clauses 3, 4, 6 and 9 of Schedule One to the Agreement
CHAPTER 1
GENERAL INFORMATION
CHAPTER 1
SECTION A: Particulars of Applicant

1. Full registered name of applicant
Sasol Gas Limited

2. Trading name of applicant if different from registered name
Not applicable

3. Physical and postal address of principal place of business of the applicant
272 Kent Avenue  P O Box 1234
Ferndale  Randburg
Randburg  2125
2194

4. Physical and postal address of registered office if different from principal place of business
1 Sturdee Avenue  PO Box 5486
Rosebank  Johannesburg
2196  2000

5. Telephone number of applicant
(011) 889-9046

6. Fax number of applicant
(011) 522-6016

7. E-mail address of applicant
Avintha.moodaly@sasol.com

8. Details of the mandated representative of the applicant
(a) Designation
Acting Executive Manager: Strategy, Regulation and Communications

(b) Family name
Moodaly

(c) First name
Avintha

(d) Telephone number
(011) 889-9046

(e) Fax number
(011) 522-6016

(f) Email address
Avintha.moodaly@sasol.com
SECTION B: Desired Commencement Date and Duration

The period for which the Construction licence is required is as follows:

1. Desired commencement date: The proposed commencement date is September 2014
2. Desired licence period: 25 years
3. Construction period: Six months
SECTION C: Additional Information

BROAD BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)

We confirm that Sasol, as a group of companies, was verified on 5 September 2013 as being a Level 4 contributor in terms of the Broad Based Black Economic Empowerment Act 2003 (Act 53 of 2003). We further confirm that Sasol Gas Limited is included in the verification referred to above. Please find attached to this licence application, the verification certificate from Empowerdex in this regard as “Annexure A”.

Sasol Gas Limited remains committed to transformation and BBBEE and is continuously developing the various BBBEE scorecard elements as part of the Sasol Gas Strategy to maintain a BBBEE status of at least a Level 4 contributor.
## SECTION D: Licence Conditions

### Licence conditions in terms of Section 21(1) of the Gas Act of 2001

<table>
<thead>
<tr>
<th>LICENCE CONDITION IN TERMS OF THE GAS ACT</th>
<th>DESIRED LICENCE CONDITION FOR SASOL GAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) a licensee must carry out the construction, operation or trading activities for which the licence is granted;</td>
<td>Yes</td>
</tr>
<tr>
<td>(b) licensees must provide information to the Gas Regulator of the commercial arrangements regarding the participation of historically disadvantaged South Africans in the licensees’ activities as prescribed by regulation and other relevant legislation;</td>
<td>Yes</td>
</tr>
<tr>
<td>(c) the gas transmission, storage, distribution, trading, liquefaction and regasification activities of vertically integrated companies must be managed separately with separate accounts and data and with no cross-subsidisation;</td>
<td>Yes, Sasol Gas’ Cost Allocation Manual was approved by the Energy Regulator in July 2012. Sasol Gas’ first Regulatory Report was submitted in December 2013</td>
</tr>
<tr>
<td>(d) third parties must in the prescribed manner have access on commercially reasonable terms to uncommitted capacity in transmission pipelines;</td>
<td>Sasol Gas’ guidelines for access to the transmission pipelines have been lodged with the Energy Regulator</td>
</tr>
<tr>
<td>(e) interested parties must be allowed to negotiate changes with transmission companies in the routing, size and capacity of proposed pipelines;</td>
<td>As per (d) above</td>
</tr>
<tr>
<td>(f) interested parties must be allowed to negotiate with transmission companies for increases in compression of existing transmission pipelines and all pipeline customers must benefit equitably from reduced costs resulting from the increased volume;</td>
<td>As per (d) above</td>
</tr>
<tr>
<td>(g) transmission companies are not obliged to incur any additional expenditure to provide the changes referred to in paragraphs (e) and (f), and the total cost for the pipeline must be shared equitably between the</td>
<td>As per (d) above</td>
</tr>
<tr>
<td>LICENCE CONDITION IN TERMS OF THE GAS ACT</td>
<td>DESIRED LICENCE CONDITION FOR SASOL GAS</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>transmission company and the parties requesting the change;</td>
<td></td>
</tr>
<tr>
<td>(h) licensees must allow interconnections with the facilities of suppliers of gas, transmitters, storage companies, distributors, reticulators and eligible customers, as long as the interconnection is technically feasible and the person requesting the interconnection bears the increased costs occasioned thereby, which must be taken into account when setting their tariffs;</td>
<td>Yes</td>
</tr>
<tr>
<td>(i) third parties must in the prescribed manner have access on commercially reasonable terms to uncommitted capacity in storage facilities;</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(j) interested parties may negotiate with storage companies for changes in the capacity of storage facilities;</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(k) storage companies are not obliged to incur any additional expenditure to provide the changes contemplated in paragraph (j) and the total cost for the storage facility must be shared equitably between the storage company and the party requesting the change;</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(l) apart from direct sales via physical by-passes to eligible customers who may alternatively have access to the distribution network at the distributor’s discretion, a distributor will be granted an exclusive geographic area, but only for a particular range of specifications of gas determined by the Gas Regulator;</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(m) a distributor will be granted the construction, operation and trading licences for its exclusive geographic area. The construction and operation licences will be exclusive for the period of validity of such licences, and the trading licence will be exclusive for a period determined by the Gas Regulator;</td>
<td>Yes</td>
</tr>
<tr>
<td>(n) an exclusive geographic area must be based on the distributor’s ability to supply present and future potential consumers at competitive prices and conditions;</td>
<td>Yes</td>
</tr>
<tr>
<td>LICENCE CONDITION IN TERMS OF THE GAS ACT</td>
<td>DESIRED LICENCE CONDITION FOR SASOL GAS</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(o) gas must be supplied by a licensed distributor within its exclusive geographic area to any person on request, if such service is economically viable;</td>
<td>Yes</td>
</tr>
<tr>
<td>(p) maximum prices for distributors, reticulators and all classes of consumers must be approved by the Gas Regulator where there is inadequate competition as contemplated in Chapters 2 and 3 of the Competition Act, 1998 (Act No. 89 of 1998);</td>
<td>Yes</td>
</tr>
<tr>
<td>(q) an advisory service with regard to the safe and efficient use, handling and storage of gas must be provided to customers other than eligible customers, by the trading licensee;</td>
<td>Yes</td>
</tr>
<tr>
<td>(r) licensees must maintain their facilities in a fully operative condition;</td>
<td>Yes</td>
</tr>
<tr>
<td>(s) all customers in a licensed distribution area, except eligible customers and reticulators, must purchase their gas from the distribution company licensed for that area;</td>
<td>Yes</td>
</tr>
<tr>
<td>(t) the time period within which gas facilities will become operational must be fixed; and</td>
<td>Yes</td>
</tr>
<tr>
<td>(u) licensees must provide information necessary for the Gas Regulator to perform its functions.</td>
<td>Yes</td>
</tr>
</tbody>
</table>
SECTION E: Solemn Declaration by Applicant / Mandated Representative

I Avinha Moodaly (Identity Number xxxxxxxxxxx)

hereby declare that:

(a) I am authorised by Sasol Gas Limited to make this declaration (see attach authorisation on page 23 of this application); and

(b) All information provided herein is within my personal knowledge and is both true and correct.

...................................................

Signature

I certify that the deponent:

(a) has acknowledged that he knows and understands the contents of this application form and its annexures, that he has no objection to taking the prescribed oath and that he considers the oath binding on his conscience; and

(b) has in the prescribed manner sworn that the contents of this application form and its annexures are true and signed same before me at

.................................................. (place) on this ................................................ day of

.................................................. (month).................................................. (year)

COMMISSIONER OF OATHS

Name ..................................................

Address ..................................................

Capacity ..................................................
CHAPTER 2

DOCUMENTS TO BE ATTACHED TO THIS APPLICATION
CHAPTER 2

Item 1

If the applicant is a natural person and a South African citizen, a certified copy of the applicant’s identity document.
CHAPTER 2

Item 1 Certified copy of the applicant’s identity document.

The Applicant is a juristic person and the details of the applicant can be found on page 15-16.
CHAPTER 2

Item 2

In the case of non-South African citizen, a certified copy of her/his:

(a) passport;
(b) permanent residence permit or employment permit; and
(c) proof of residence in South Africa, or proof of domicile in South Africa.
CHAPTER 2

Item 2 In the case of non-South African citizen

Not applicable.
CHAPTER 2

Item 3: Certificate of Incorporation

If the applicant is:

(a) a national, provincial or local government;
(b) another statutory body;
(c) a juristic person established in terms of an Act of Parliament; or
(d) a company or other legal body established by statute or government directive,

attach a copy of the proclamation establishing such a body or state relevant legislation
CHAPTER 2

Item 3: Certificate of Incorporation

[Image of a certificate of incorporation]

Republic of South Africa

No. 54/5005

Certificate of Incorporation
Sertifikaat van Inkorporasie

I hereby certify that
Ek sertifiseer hierby dat

DIE SUID-AFRIKAANSE GASSISTRUISINGIKORPORASIE BEPERK

was this day incorporated under the Companies Act, 1926 (Act No. 46 of 1926)
vandag genegeër is ingeval die Maatskappywet, 1926 (Wet No. 46 van

and that the Company is LIMITED
1926), en dat die Maatskappy BEPERK is

Signed at PRETORIA
Getekent te PRETORIA

this
hede die

Sesde
day of
dag van

AUGUSTUS

One thousand Nine hundred and
Eenduisend Negehonderd

VIER-EN-SESTIG.

[Signature]

Registrar of Companies
naming RegISTRator van Maatskappy
Certificate of change of name of company
Sertifikaat van verandering van naam van maatskappy

This is to certify that/Hierby word gesertifiseer dat

DIE SUID-AFRIKAANSE GAS DISTRIBUSIE KORPORASIE BEPERK

has changed its name by SPECIAL RESOLUTION and is now called
sy naam verander het by SPESIALE BESLUIT en nou genoem word

SASOL GAS BEPERK

and that the new name has this day been entered in the Register of Companies,
en dat die nuwe naam op hierdie dag in die Register van Maatskappye aangetekene is.

signed and sealed in Pretoria, this/Gesig en geseel te Pretoria op hede die

ey of day van

May

Two Thousand/Tweeduisende EEN

Registrar of Companies/Registrateur van Maatskappye

Certificate of change of name dated
Hierby certified van verandering van naam gedateer

<table>
<thead>
<tr>
<th>Name of Company</th>
<th>SASOL GAS LTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of maatskappy</td>
<td>BASKET</td>
</tr>
<tr>
<td>Postal Address</td>
<td>SAVAGE</td>
</tr>
</tbody>
</table>

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LeyaBase Company Forms Licensed To: SAVAGE JOOSTY & ADAMS P/L.
CHAPTER 2

Item 4

If the applicant is not a natural person, and is not contemplated in 3 above, attach:

(a) a document stating –
   (i) the title of legislation under which it is registered;
   (ii) the registration number given to it in terms of such legislation;
   (iii) in the case of companies, the names of current directors and
       the ownership or shareholding structure, including particulars
       of the shareholders

(b) a certified copy of the identity document of the mandated
    representative authorised to make the application, if applicable; and

(c) documentary proof of authorisation to make the application
CHAPTER 2

Item 4: Shareholding Structure and Certificates

The only shareholder of the applicant is Sasol Gas Holdings (Proprietary) Limited, a limited liability company incorporated in terms of the South African Companies Act 2008 (Act 71 of 2008), registration number 2000/013669/07.

The contact details of this holding company, which is a wholly owned subsidiary of Sasol Limited, are the same as that of the applicant.

SASOL GAS LIMITED SHAREHOLDING STRUCTURE
Certificate issued by the Commissioner of Companies & Intellectual Property Commission on Monday, October 29, 2012 at 16:14

Certificate of Director Amendments
CoR 39
Registration Number: 1964 / 006005 / 06
Enterprise Name: SASOL GAS

ENTERPRISE INFORMATION
Registration Number: 1964 / 006005 / 06
Enterprise Name: SASOL GAS
Registration Date: 06/06/1964
Business Start Date: 08/08/1964
Enterprise Type: Public Company
Enterprise Status: In Business
Financial Year End: June
Number of Directors: 9
Description of Principal Business: VERKOOP REMARKING EN VERSPREIDING VAN GAS

Addresses
POSTAL ADDRESS
POSBUS 5486
JOHANNESBURG

ADDRESS OF REGISTERED OFFICE
SASOL ROSEBANK
STURDEELAAN 1
ROSEBANK
2000
2196

DETAILS OF AUDITOR / ACCOUNTING OFFICER
Name: KPMG INC.
Membership/Practice No: 942472
Profession: Chartered Accountants
Postal Address: PRIVATE BAG X9
PARKVIEW
2122
Telephone Number: 011 6471000
Fax Number: 011 6478000
Email Address: coenie.basson@kpmg.co.za
Cell Number: 
Appointment Date: 02/06/2006
SASOL GAS LIMITED
Co Reg No 1964/006005/06

EXTRACT FROM MINUTE 2672.10 OF THE VERIFIED MINUTES OF THE DIRECTORS’ MEETING 1 OF 2011, HELD IN THE SASOL LIMITED BOARD ROOM, 4TH FLOOR, 1 STURDEE AVENUE, ROSEBANK ON THURSDAY, 17 FEBRUARY 2011 AT 09:00

"2672.10 AUTHORISATION TO SIGN LICENCE APPLICATIONS

CONSIDERATION was given to the submission by Ms WD Stander and Mr J P Meintjes 17 February 2011.

After CONSIDERATION of the submission, the Board:

1. CONFIRMED the authority of the Financial Manager as the Public Officer of the Company to sign Licence Applications to be submitted by the Company in terms of the Gas Act; and

2. AUTHORISED the following persons to sign Licence applications to be submitted to NERSA in terms of the Gas Act, 2001 (Act 48 of 2001) on behalf of the Company:

   (a) Manager: Strategy, Economic Regulation and Joint Venture Management; and

   (b) Manager: Regulatory Affairs.

CERTIFIED A TRUE EXTRACT FROM MINUTE 2672.10 OF THE VERIFIED MINUTES OF THE DIRECTORS’ MEETING 1 OF 2011, HELD IN THE SASOL LIMITED BOARD ROOM, 4TH FLOOR, 1 STURDEE AVENUE, ROSEBANK ON THURSDAY, 17 FEBRUARY 2011 AT 09:00

N MASHININI
SECRETARIAL SERVICES
SASOL GROUP SERVICES (PTY) LTD

19 August 2013
CHAPTER 2

Item 5

Provisions to meet any criteria specified in terms of section (19)2 of the Act (if applicable)
CHAPTER 2

Item 5: Criteria Specified in terms of section (19)2 of the Act

Not applicable.
CHAPTER 2

Item 6

Documents demonstrating the administrative abilities of the applicant
CHAPTER 2

Item 6: Administrative Abilities of the Applicant.

SASOL GAS ADMINISTRATIVE ABILITY:

The administrative ability of any organisation to handle its business affairs is dependent on its management, the size of its personnel body and the competence of its employees. Sasol Gas is competent to deal with the construction and operation of the Transmission Pipeline for which this application is being submitted. This competence is demonstrated by the documentation listed below. The documents include:

1. Sasol Gas Management Organogram.
2. Employee Qualification list attached to this application as “Annexure B”.
SASOL GAS LIMITED MANAGEMENT STRUCTURE

Manager Director
W Stander

Manager: Human Resources
S Skosana

Manager: Marketing
M Gokul

Act General Manager: Operations
E Woods

Manager: Governance and Commercial
A Russel

Manager: Finance
L Jacobs

Manager: Business Enablement
V Pooran

Manager: SHE
O Reilly

Manager: J V Management & Mozambique Business
J Magagula

Manager: Strategy, Regulation and Communications
M Mitchelson

Manager: Strategy, Regulation and Communications
M Mitchelson
CHAPTER 2

Item 7

Documents demonstrating the financial abilities of the applicant
CHAPTER 2

Item 7: Financial Abilities of the Applicant.

A copy of Sasol Gas Limited’s Annual Financial Statements for the year ended 30 June 2013 is included herewith as a CD “Annexure C” to this licence application.
CHAPTER 2

Item 8

Documents demonstrating the technical abilities of the applicant
CHAPTER 2
Item 8: Technical Abilities of the Applicant

The following documents attached hereunder demonstrate the technical abilities of the applicant:

1. Sasol Gas: Pipeline Production/Operations Organogram
2. Sasol Gas: Pipeline Maintenance Organogram
3. Sasol Gas: Pipeline Integrity Organogram
4. Sasol Gas: Pipeline Engineering Organogram
Sasol Gas: Pipeline Operations Organogram
Sasol Gas: Pipeline Maintenance Organogram

Acting General Manager: Operations
E Woods

Divisional Manager: Maintenance
CM vd Walt

Snr Area Manager: Maintenance
(Sasol Gas Assets)
AJ Labuschagne

Area Manager: Maintenance
(Metering & Instrumentation)
JC Welman
Sasol Gas: Pipeline Integrity
Organogram
Sasol Gas: Pipeline Engineering Organogram

Manager: Pipeline Engineering
N Mhlali

Snr Project Engineer
S Manana

Engineers
M Ngubane
B Mlotshana
S Dlamini
A Amod
S Mahas

Project Technician
S Mbambo
IQNet

THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

IQNet and
DQS GmbH Deutsche Gesellschaft zur Zertifizierung von Managementsystemen
hereby certify that the company

Sasol Gas
Head Office - Randburg
272 Kent Avenue
2125 Randburg
South Africa

with the organizational units/sites as listed in the annex
has implemented and maintains an
Occupational Health and Safety Management System.

Scope:
Marketing, transmission, distribution and trading of pipeline gas from the point of supply downstream of the gas suppliers to the delivery point at the customer and all gas related infrastructure, relations with government officials, relevant legal authorities, communities and staff.

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

BS OHSAS 18001 : 2007

Date of certification 2013-02-06
Valid until 2016-02-06

Registration Number: DE-352345 BSOH

Michael Drechsel
President of IQNet

Gotz Bleichschmidt
Managing Director of DQS GmbH

IQNet Partners:
AENOR Spain AFNOR Certification France AIB Vignette International Belgium ANCE SIEG Mexico APCER Portugal CCC Cyprus
CISQ Italy CQC China CQM China CQS Czech Republic Crco Cert Croatia DQS Holding GmbH Germany DS Denmark
FOCAV Brazil FONDONORMA Venezuela ICONTEC Colombia INMEX Mexico INNORPI Tunisia
Inspecta Certification Finland IRAM Argentina IQA Japan KFO Korea MIRTEC Greece MSZT Hungary Nenkko AS Norway
NSAI Ireland PCBC Poland Quality Austria Austria RR Russia SII Israel SQI Slovenia SIRIM QAS International Malaysia
SQS Switzerland SRAC Romania TEST St Petersburg Russia TSE Turkey YUQS Serbia

IQNet is represented in the USA by: AFNOR Certification, CISQ, DQS Holding GmbH and NSAI Inc.

* The list of IQNet partners is valid at the time of issue of this certificate. Updated information is available under www.iqnet-certification.com

Sasol Gas
THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

IQNet and
DQS GmbH Deutsche Gesellschaft zur Zertifizierung von Managementsystemen
hereby certify that the company
Sasol Gas
Head Office - Randburg
272 Kent Avenue
2125 Randburg
South Africa

with the organizational units/sites as listed in the annex
Has implemented and maintains an Environmental Management System.

Scope:
Marketing, transmission, distribution and trading of pipeline gas from the point of supply downstream of the gas suppliers to the delivery point at the customer and all gas related infrastructure, relations with government officials, relevant legal authorities, communities and staff.

Through an audit, documented in a report, it was verified that the management system fulfils the requirements of the following standard:

ISO 14001 : 2004 + Cor 1 : 2009

Date of certification 2013-02-06
Valid until 2016-02-05
Registration Number: DE-352345 UM

Michael Drechsel
President of IQNet
Götz Blechschmidt
Managing Director of DQS GmbH

IQNet is represented in the USA by: AFNOR Certification, CISO, DQS Holding GmbH and NSAI Inc.

* The list of IQNet partners is valid at the time of issue of this certificate, updated information is available under www.iqnet-certification.com

Sasol Gas
IQNet
THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

IQNet and
DQS GmbH Deutsche Gesellschaft zur Zertifizierung von Managementsystemen
hereby certify that the company

Sasol Gas
Head Office - Randburg
272 Kent Avenue
2125 Randburg
South Africa

with the organizational units/sites as listed in the annex
has implemented and maintains a Quality Management System.

Scope:
Marketing, transmission, distribution and trading of pipeline gas from the point of supply downstream of the gas suppliers to the delivery point at the customer and all gas related infrastructure, relations with government officials, relevant legal authorities, communities and staff.

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 9001 : 2008

Date of certification 2013-02-06
Valid until 2016-02-05
Registration Number: DE-352345QM08

Michael Drechsel
President of IQNet

Gottfried Blechschmidt
Managing Director of DQS GmbH

IQNet Partners:
AENOR Spain APNOR Certification France ABV-Viprot Cert International Belgium ANEC-319E Mexico APCER Portugal CCC Cyprus
CNS Italy CQC China CQM China CQS Czech Republic Cro Cert Croatia DCQ Holding GmbH Germany DS Denmark
FCAV Brasil FONDONORMA Venezuela ICONTEC Colombia IMNC Mexico INNORPI Tunisia
Inspecta Certification Finland IRAM Argentina JQA Japan KFO Korea MRTGEC Greece MSZT Hungary Nemko AS Norway
NSAI Ireland PCBC Poland Quality Austria Austria RRF Russia SII Israel SIQ Slovenia SIRIM QAS International Malaysia
SQS Switzerland SRAJC Romania TEST St Petersburg Russia TSE Turkey YUQS Sofia

IQNet is represented in the USA by: APNOR Certification, CISO, DQS Holding GmbH and NSAI Inc.

* The list of IQNet partners is valid at the time of issue of this certificate. Updated information is available under www.iqnet-certification.com
CHAPTER 2

Item 9

Where the facility is owned by more than one person, the applicant must provide-

(a) details of the co-ownership and document any proof thereof or a solemn declaration to that effect; and

(b) written mandate from each of the owners authorising the applicant to apply for the licence on their behalf
CHAPTER 2
Item 9: Facility Ownership

This facility will be solely owned by the applicant (Sasol Gas Limited).
CHAPTER 2

Item 10

A certified copy of the Record of Decision of the relevant environmental authorisation in accordance with the National Environmental Manager.
CHAPTER 2
Item 10: Certified Copy of the Record of Decision of the Relevant Environmental Authorization

Record of decision for an environmental impact assessment (EIA) process is attached hereon as “Annexure D”.
CHAPTER 2

Item 11

If the Record of Decision in 10 above has not been obtained then submit:

a) proof of such permit application; or
b) solemn declaration outlining the applicant’s plans and ability to comply with all applicable labour, health and environmental legislation.
CHAPTER 2

Item 11: Solemn Declaration Outlining the Applicant’s Plans and Ability

Refer to Chapter 2, item 10, Page 43 above.
CHAPTER 2

Item 12

If 10 above is not applicable, state reasons thereof.
CHAPTER 2

Item 12: Solemn Declaration

Refer to Chapter 2, item 10, Page 43 above.
CHAPTER 2

Item 13

List all applicable:

(a) legislation
(b) operating and technical standards; and
(c) codes and specifications (including those relating to safety) to be used in the activities for which this application is made, for example:
   (i) the American Society of Mechanical Engineers (ASME) Standards;
   (ii) American Petroleum Institute (API) Standards; and
   (iii) European Norms (EN)
CHAPTER 2

Item 13: List of all Applicable Legislation: Operating, Technical Standards, Codes and Specifications

A list of the various Codes and Standards to which Sasol Gas adheres to in respect of construction, maintenance and operation of its gas pipeline facilities is attached hereto as “Annexure E”.

---

JZ 005 – PFG Glass
Sasol Gas
CHAPTER 2

Item 14

Provide detailed technical specifications of the gas that will be handled at the facility for which this application is made, including:

(a) the chemical and physical composition of the gas;
(b) calorific values of the gas; and
(c) the combustion properties, including the Wobbe Index of the gas
### Item 14: Technical Specifications of the Gas to be handled at the facility

**SASOL GAS LIMITED**

#### 1. SPECIFICATION OF NATURAL GAS

**COMBUSTION PROPERTIES**

<table>
<thead>
<tr>
<th>Property</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy content (gross) (EC)</td>
<td>MJ/m³ (101, 325 kPa(a), 15°C)</td>
</tr>
<tr>
<td></td>
<td>MJ/m³ (110, 3 kPa(a), 0°C)</td>
</tr>
<tr>
<td>Relative density (RD)</td>
<td>0,56 - 0,70</td>
</tr>
<tr>
<td>Wobbe Index (WI)</td>
<td>( \frac{EC}{\sqrt{RD}} )</td>
</tr>
<tr>
<td>Sulphur (S)*</td>
<td>15 mg/m³</td>
</tr>
</tbody>
</table>

* Sulphur is a component of an organic odorant which is added to pipeline gas for safety considerations.
CHAPTER 2

Item 15

Provide information required by regulations made in terms of the Act concerning mechanisms to promote historically disadvantaged South Africans
CHAPTER 2

Item 15: Promotion of Historically Disadvantaged South Africans

Regulation 5(1)(a) – Shareholding

Refer to page 18 item 4 of Chapter 2 and page 4 Section C of Chapter 1 together with “Annexure A” to this licence application.

Regulation 5(1)(b) – Board of Directors

Refer to page 19-21 item 4 of Chapter 2 for the CoR39 of the Applicant.

Regulation 5(1)(c) – Management Positions

“Annexure F” to this licence application is an extract from the report by the Applicant to the Department of Labour setting out the workforce profile of the Applicant.

Regulation 5(1)(d) – Preferential Procurement

Refer to page 4 Section C of Chapter 1 together with “Annexure A” of this application.

Regulation 5(1)(e) & (f) – Employment Equity Act

The Applicant has implemented the necessary business processes to ensure compliance with the Employment Equity Act. Sasol Limited has submitted the required Employment Equity Report and Plan (which includes the Applicant) to the Department of Labour during September 2013.
GALA.t.F1 - DETAILS OF APPLICATION

CHAPTER 3
(Gala.t.F1)
Item 1

A description of the proposed facility, adequately specifying the exact route to which the application relates, this must include key design codes to demonstrate technical feasibility and a clear and detailed map of the route, at a scale acceptable to the Energy Regulator, indicating the proposed:

a. design capacity and pressure of each pipeline;
b. length of each pipeline;
c. diameter of each pipeline;
d. material composition of the pipeline e.g. steel or HDPE;
e. average and maximum operating pressures;
f. location of each pressure protection and reduction station;
g. details including the location and capacity of any storage facilities interconnected to the distribution network; and
h. point(s) of receipt and delivery of gas.

CHAPTER 3 (GALA.t.F1)

Item 1: Description of the Proposed Facility
### Pipeline

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1.1</td>
<td>Type of pipeline</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transmission</td>
</tr>
<tr>
<td>1.2</td>
<td>Location including coordinates</td>
<td>Refer attached EFD</td>
</tr>
<tr>
<td>1.3</td>
<td>Maximum capacity</td>
<td>2 156 GJ/h</td>
</tr>
<tr>
<td>1.4</td>
<td>Design capacity</td>
<td>420 GJ/h (with expected 35% increase)</td>
</tr>
<tr>
<td>1.5</td>
<td>Maximum allowable operating pressure</td>
<td>49 Bar gauge</td>
</tr>
<tr>
<td>1.6</td>
<td>Normal operating pressure</td>
<td>35 Bar gauge</td>
</tr>
<tr>
<td>1.7</td>
<td>Length</td>
<td>225.48 m</td>
</tr>
<tr>
<td>1.8</td>
<td>Inner diameter</td>
<td>146.1.18mm</td>
</tr>
<tr>
<td>1.9</td>
<td>Outer diameter</td>
<td>168.3mm</td>
</tr>
<tr>
<td>1.10</td>
<td>Material composition</td>
<td>ASTM A106 B/ API 5LB</td>
</tr>
<tr>
<td>1.11</td>
<td>Tie-in point description incl Gala number</td>
<td>GALA.T.F3.1419.2008</td>
</tr>
<tr>
<td>1.12</td>
<td>Coordinates of tie-in point</td>
<td>Pi 1–Y(58516.1170) X(2905485.476)</td>
</tr>
</tbody>
</table>

### High Pressure Customer Meter

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>2.1</td>
<td>Type</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HPCMS</td>
</tr>
<tr>
<td>2.2</td>
<td>Location address including coordinates</td>
<td>Refer attached EFD</td>
</tr>
<tr>
<td>2.3</td>
<td>Size</td>
<td>4”</td>
</tr>
<tr>
<td>2.4</td>
<td>Allocated area size and coordinates</td>
<td>750 m²</td>
</tr>
<tr>
<td>2.5</td>
<td>Maximum operating pressure</td>
<td>35 bar gauge</td>
</tr>
<tr>
<td>2.6</td>
<td>Minimum operating pressure</td>
<td>30 bar gauge</td>
</tr>
<tr>
<td>2.7</td>
<td>Flow at maximum operating pressure</td>
<td>681</td>
</tr>
<tr>
<td>2.8</td>
<td>Flow at minimum operating pressure</td>
<td>593</td>
</tr>
<tr>
<td>2.9</td>
<td>Average operating pressure</td>
<td>35 bar gauge</td>
</tr>
<tr>
<td>2.10</td>
<td>Coordinates of the HPCMS area</td>
<td>Refer to attached EFD</td>
</tr>
<tr>
<td>2.11</td>
<td>Material composition</td>
<td>Carbon steel</td>
</tr>
<tr>
<td>2.12</td>
<td>Inlet pressure</td>
<td>35 -30 bar gauge</td>
</tr>
<tr>
<td>2.13</td>
<td>Outlet pressure</td>
<td>35 -30 bar gauge</td>
</tr>
</tbody>
</table>

### CHAPTER 3

(Gala.t.F1)
Item 2

A mechanical flow diagram of the proposed facility

CHAPTER 3 (GALA.t.F1)

Item 2: Mechanical flow diagram
Please refer to “Annexure G”

CHAPTER 3
(Gala.t.F1)
Item 3

Submit proof of financial viability of the proposed facility, including:

a. commercial structure;
b. projected financial statements and / or discounted cash flow (DCF) model providing assumptions used in calculations and sourcing of figures);
c. the status and / or proof of equity financing agreements and finance including terms and conditions; and
d. other costs incidental to the project (please specify whether legal, consulting etc).
e. tariffs to be charged for the proposed facility and details of the methodology used for these calculations
CHAPTER 3 (GALA.t.F1)
Item 3: Financial Viability of the Proposed Facility

(a) Commercial Structure
The gas transmission pipeline is owned, operated and maintained by Sasol Gas.

(b) Projected financial statements and / or discounted cash flow (DCF) model
The projected cash flow is not applicable to this project as it is an existing facility and interconnection upgrade is a request by the customer who bears the full costs. No new customers are to be added or removed from the facility. Please refer to “Annexure I” for further clarity on this infrastructure upgrade.

(c) The status and or / proof of equity financing agreements and finance including terms and conditions
Not applicable.

(d) Other costs incidental to the project
Not applicable.

(e) Tariffs to be charged for the proposed facility and details of the methodology used in these calculations.
The Energy Regulator’s approved tariffs for zone 1 will be applicable.
SASOL GAS PRICING PHILOSOPHY

Sasol Gas Limited submitted transmission tariff application to NERSA on 23 December 2012. The application was prepared using rate of return methodology and in accordance with the NERSA Guidelines for Monitoring and Approving Piped-Gas Transmission and Storage Tariffs in South Africa (1 May 2009) ("the Guidelines"). NERSA approved Sasol Gas transmission tariff application on 26 March 2013 for the period 26 March 2014 to 30 June 2015.

Sasol Gas pricing system for the transmission infrastructure is divided into three zones as follows:

a. Zone 1: Secunda-Gauteng-Sasolburg network – natural gas;

b. Zone 2: Secunda-Witbank-Middelburg network – methane-rich gas; and

CHAPTER 3
(Gala.t.F1)

Item 4

Submit details of the gas source, including:

(a) a copy of an independent reservoir engineer’s assessment of proven and recoverable gas reserves in trillions of cubic feet and the basis for the reserves determination; and
(b) gas production program to supply gas for the project; or
(c) copy of the gas importation agreement.
CHAPTER 3 (GALA.t.F1)

Item 4: Details of the Gas Source

(a) Copy of an independent reservoir engineer's assessment of proven and recoverable gas reserves in trillions of cubic feet and the basis for the reserves determination.

Reserve reports were submitted to NERSA on 26 January 2010 and 15 June 2010.

(c) Gas production program to supply gas for the project

Refer to “Annexure K” for a summary of the exploration and production work conducted by Sasol in respect of the Pande and Temane gas reserves in Mozambique.

(c) Copy of the gas importation agreement.

Not applicable. There is no gas importation agreement pertaining to this facility.
CHAPTER 3
(Gala.t.F1)

Item 5

Details of any existing and / or potential customers for the proposed facility, including:

a. the names and physical addresses of existing customers;
b. the names and physical addresses of potential customers;
c. categorization of each customer, for example as a reticulator and small, medium or large user;
d. for each customer, the average or anticipated gas consumption in Gigajoules per annum.
CHAPTER 3 (GALA.t.F1)
Item 5: Details of Existing and Potential Customers for the Proposed Facility

(a) The names and physical addresses of existing customers
   Not applicable.

(b) The names and physical addresses of potential customers
   No potential customers.

(c) Categorization of each customer
   Please refer to (a) above.

(d) The average or anticipated gas consumption in Gigajoules
   Please refer to “Annexure L”
CHAPTER 3
(Gala.t.F1)

Item 6

Copies of any gas transportation agreements pertaining to the facility to be constructed.
CHAPTER 3 (GALA.t.F1)

Item 6: Gas transportation agreements

No gas transportation agreements have been entered into with the customer
CHAPTER 3
(Gala.t.F1)

Item 7

Submit a description of the proposed allocation mechanism in terms of which third party access will be granted to the proposed facility; including

(a) grounds for refusal of access; and
(b) measures to ensure non-discrimination between customers
CHAPTER 3 (GALA.t.F1)

Item 7: Allocation Mechanism

Sasol Gas’ guidelines for access to the transmission pipelines have been lodged with the Energy Regulator.
CHAPTER 3  
(Gala.t.F1)

Item 8

If applicable, details of planned changes to the pipeline after commencement of operations regarding:

(a) pipeline capacity such as additions of compressor stations or any other infrastructure that may require a new licence;
(b) investment plans and the schedule of implementation; and
(c) timelines for service commencement
CHAPTER 3 (GALA.t.F1)

Item 8: Pipeline capacity, Investment plans and Timelines for Service Commencement

(a) Pipeline capacity such as additions of compressor stations or any other infrastructure that may require a new licence;

No compressor stations or any other infrastructure that may require a new licence, are envisaged.

(b) Investment Plan and the Schedule of Implementation

No investment plan is envisaged to build the pipeline and to install a High Pressure Customer Meter Station (HPCMS) at PFG site.

(c) Timelines for service commencement

Construction will take approximately six months from the time the construction starts to completion.
CHAPTER 3
(Gala.t.F1)

Item 9

If the applicant is Sasol Limited or its subsidiary, evidence of compliance with clause 3, 4, 6 and 9 of Schedule One to the Agreement.
CHAPTER 3 (GALA.d.F1)

Item 9: Evidence of Compliance with clauses 3, 4, 6 and 9 of Schedule One to the Agreement

(a) Clause 3

The regulatory agreement has expired on 25 March 2014.

(b) Clause 4

During the last 6 years since First Gas (i.e. 1 April 2004), Sasol Gas has vigorously marketed natural gas imported from Mozambique to the South African market. To date, Sasol Gas has unfortunately not managed to achieve a maintained level of natural gas off-take at the level of 120 MGJ/a.

Section 4 of the Regulatory Agreement entered into between the Government of South Africa and Sasol stipulates the following:

“Sasol Gas undertakes to use its best endeavours to supply 120 Million Gigajoules per annum of natural gas from Mozambique to South African markets for twenty five years after first gas”.

Through the development of the Natural Gas Project as well as the marketing activities after the project was commissioned, Sasol and its partners have consistently used its best endeavours to grow the natural gas market and to reach the full base load volume of the project as early as possible.

The regulatory agreement was negotiated at a time when Sasol and its Government affiliated partners were in the developments phase of the Natural Gas Project. The base load volume of natural gas that the project targeted is 120 MGJ/a.
(c) **Clause 6**

To date, Sasol has not received a request from a distributor outside of Sasol’s distribution areas. As soon as such a request is received it will be evaluated in terms of the provisions of clause 6 of the Regulatory Agreement.

(d) **Clause 9**

On 23 December 2012, Sasol Gas Limited submitted transmission tariff application to NERSA which was prepared using rate of return methodology and in accordance with the NERSA Guidelines for Monitoring and Approving Piped-Gas Transmission and Storage Tariffs in South Africa (1 May 2009) (“the Guidelines”).

NERSA approved Sasol Gas transmission tariff application on 26 March 2013 for the period 26 March 2014 to 30 June 2015.

end