SASOL LIMITED

PRODUCTION AND SALES METRICS

for the year ended 30 June 2020

Celebrating 70 years

POSITIONING FOR A
SUSTAINABLE FUTURE

Mining

Productivity continues to trend positively

Safety remains a key focus for Sasol Mining and during FY20 we undertook a holistic review of our safety approach, established a Fatality and High Severity Incident (HSI) Elimination Task Force, and revised our life saving rules by adopting a 'Zero Harm, Zero Tolerance' approach. Despite our best efforts, on 1 June 2020, a fall of ground incident at our Shondoni Colliery tragically resulted in a fatality. For the full year, three fatalities were recorded. We are deeply saddened by the loss of our colleague's lives and our sincere condolences are extended to the affected families and colleagues.

Our COVID-19 response plans and mitigating protocols have enabled us to continue operations with minimal interruptions in Q4 FY20, despite an increasing number of positive COVID-19 cases across our operations. As at 30 June 2020, we recorded a total of 30 positive cases and we anticipate that this number will increase over the next few weeks as the virus continues to spread within our communities. We continue to monitor the situation closely, adapting our protocols where necessary, to ensure employee wellbeing and safe operations.

Our operational performance, measured in tons per continuous miner per shift (t/cm/s)*, has shown a further improvement of 6% quarter on quarter, with Q4 FY20 being the best quarter of the financial year. In line with our previous market guidance, our FY20 full year productivity rate was 1 148 t/cm/s*. This was 4% lower than the previous year due to the previously indicated infrastructure downtime we experienced in H1 FY20, and the ongoing geological complexities particularly at our Sigma and Syferfontein mines.

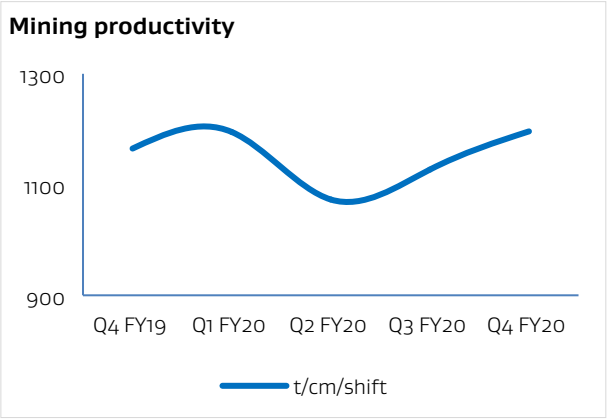
The operational improvements in the last six months, together with the temporary reductions in demand from both internal and external customers, have enabled us to build up our inventory levels to above working capital target levels. Furthermore, this has allowed us to stop additional external coal purchases in Q4 FY20, supporting our group wide cash conservation measures. These inventory levels also provide us with an additional risk mitigation measure against any business continuity risks or potential future impacts of the COVID-19 pandemic on our operations.

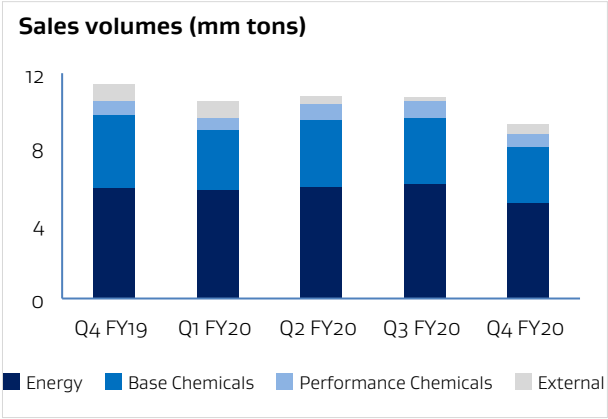
Internal customer demand has returned to pre COVID-19 levels in June 2020, and we have seen encouraging increases in demand from our external customers in Q4 FY20.

		% change 2020 vs 2019	**Full year 2020**	Full year 2019	Full year 2018
Production					
Saleable production**	mm tons	–	**36,1**	36,1	37,2
External purchases	mm tons	25	**6,5**	5,2	6,7
Internal sales					
Energy	mm tons	4	**23,5**	22,6	22,6
Base Chemicals	mm tons	(5)	**12,8**	13,5	14,3
Performance Chemicals	mm tons	(3)	**2,9**	3,0	3,3
External sales					
International and other domestic	mm tons	(41)	**1,9**	3,2	3,2

* Includes production outside of normal shifts

** Saleable production represents total production adjusted for normal process discard arising from the coal beneficiation process at our export operations.





Exploration and Production International

Consistent operational performance in Mozambique

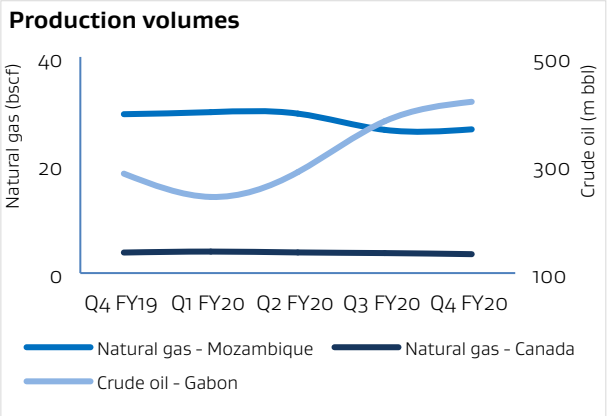
Mozambique production for FY20 is slightly lower than the prior year. Gas production volumes from the Petroleum Production Agreement were impacted by lower demand due to the COVID-19 pandemic. We exceeded our previous market guidance of 100 - 110 bscf, due to easing of the COVID-19 lockdown conditions in South Africa in the last two months of the financial year.

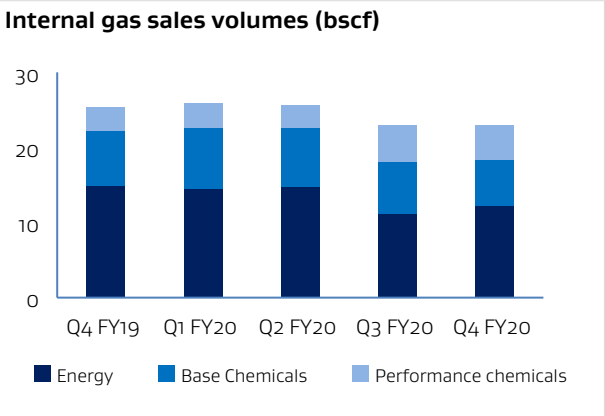
Production volumes in Gabon were higher following the completion of drilling activities in March 2020.

Canadian gas volumes were lower due to the natural decline in the production wells. Additional liquid rich wells came online in September 2019, which resulted in higher condensate volumes for the year.

		% change 2020 vs 2019	**Full year 2020**	Full year 2019	Full year 2018
Production					
Natural gas - Mozambique (Sasol's 70% share)	bscf	(1)	**112,4**	114,0	115,9
Condensate - Mozambique (Sasol's 70% share)	m bbl	(17)	**207**	249	266
Crude oil - Gabon (after royalties)	m bbl	15	**1 326**	1 158	1 126
Natural gas - Canada	bscf	(8)	**15,0**	16,3	19,2
Condensate - Canada	m bbl	>100	**197**	63	77
External sales					
Natural gas - Mozambique	bscf	(1)	**15,2**	15,3	14,8
Condensate - Mozambique	m bbl	(16)	**208**	247	270
Crude oil - Gabon (after royalties)*	m bbl	22	**1 267**	1 042	1 115
Natural gas - Canada	bscf	(8)	**15,0**	16,3	19,2
Condensate - Canada	m bbl	>100	**197**	63	77
Internal sales - Natural gas					
Mozambique to Energy	bscf	(7)	**52,8**	57,0	53,7
Mozambique to Base Chemicals	bscf	(2)	**28,8**	29,4	29,8
Mozambique to Performance Chemicals	bscf	28	**15,6**	12,2	17,6

* Comparative sales volumes for Gabon have been restated to correct the treatment of volumes previously lifted by the Gabon government.





Group key production volumes summary

South African operations

We are deeply saddened by the loss of three lives at Secunda Synfuels Operations (SSO), Secunda Chemical Operations (SCO) and Sasolburg Operations (SO) during Q4 FY20. We extend our sincere condolences to the affected families and colleagues. We do believe that zero harm is indeed possible and safety remains our top priority. Our approach to ensuring a safe workplace is built on leadership and competency, strengthened by clear policies and procedures.

Total production volumes at SSO were negatively impacted in Q4 FY20, by the COVID-19 lockdown which led to reduced liquid fuels demand. During this time, SSO successfully completed a 'pitstop' shutdown, which allowed for the postponement of the September 2020 shutdown. Lower liquid fuels demand, partly mitigated by improved stability and a successful completion of a phase and pitstop shutdown in FY20 (FY19 full West factory shutdown), resulted in total production in FY20 being 3% lower than FY19.

Natref production for FY20 was 22% lower than FY19, mainly due to the suspension of production with effect from 9 April 2020 as a result of the decrease in fuel demand in South Africa due to the COVID-19 lockdown. Natref achieved a crude rate of 610 m³/h for the first nine months of the year, however, due to the suspension of production in Q4 FY20, the FY20 full year crude rate was 495 m³/h. Maintenance work planned for H1 FY21 was successfully completed during the cessation of production. The plant initiated a phased commissioning process on 18 June 2020 and is expected to ramp up to full capacity as jet fuel demand grows in line with the uplifting of international flight restrictions.

		% change 2020 vs 2019	**Full year 2020**	Full year 2019	Full year 2018
Production – Secunda Synfuels Operations	kt	(3)	**7 373**	7 619	7 587
Refined product	kt		**3 541**	3 699	3 696
Heating fuels	kt		**651**	665	618
Alcohols/ketones	kt		**597**	623	618
Other chemicals	kt		**1 887**	1 910	1 921
Gasification	kt		**571**	590	589
Other	kt		**126**	132	145
Synfuels refined product	mm bbl	(4)	**31,2**	32,6	32,4
Natref					
Crude oil (processed)	mm bbl	(23)	**17,2**	22,2	18,5
White product yield	%	–	**89,4**	89,4	88,6
Total yield	%	–	**97,4**	97,3	97,1
Production	mm bbl	(22)	**16,8**	21,6	18,0

North American Operations

Production volumes from North American Operations for FY20 exceeded the FY19 volumes by more than 100%. This was due to the Lake Charles Chemicals Project (LCCP) ethylene cracker which achieved beneficial operation in August 2019 and the ethoxylates (ETO) expansion units which reached beneficial operation in January 2020. In addition, the Ziegler unit and the Guerbet alcohols unit reached beneficial operation in June 2020.

The LCCP ethylene cracker ran well during Q3 and Q4 of FY20 following the successful replacement of the acetylene reactor catalyst in December 2019. The unit produced at an average rate of above 80% of nameplate capacity during Q4 FY20. The linear low-density polyethylene (LLDPE) unit produced at nameplate capacity in Q4 FY20. Gross ethylene production, including production from the existing cracker, totalled 1 271 kt for FY20.

		% change 2020 vs 2019	**Full year 2020**	Full year 2019
Production Volumes				
Gross ethylene production - LCCP cracker	kt		**825**	–
Gross ethylene production - existing cracker	kt	–	**446**	447
Polyethylene - including our share of HDPE	kt	>100	**688**	321
EO value chain	kt	>100	**382**	113

Eurasian Operations

Production volumes from our Eurasian-based assets, normalized for the impact of the mid-year FY20 disposal of the share in the Sasol Wilmar Joint Operation, increased by 0,3% for the financial year. The increase was supported by additional alkylate production from our Italian operations as well as improved surfactant volumes from all facilities across the region. These were largely driven by demand and the improved surfactant volumes also enabled by the ramp-up in production at the new ETO unit in Nanjing (China). The positive development in production output was achieved despite planned outages and lower market demand which affected output for a number of other units, most notably the alcohols and wax assets in Germany.

In contrast to the previous year, no major feedstock supply interruptions were experienced at our Eurasian operations during FY20. The COVID-19 pandemic did however directly impact production at our Terranova (Italy) and Nanjing facilities, with both units temporarily shut down during Q3 FY20. Production has subsequently resumed at both units, albeit at lower rates towards the end of Q4 FY20 due to reduced market demand.

Energy

Lower liquid fuels volume performance due to lower demand driven by COVID-19

Liquid fuels and natural gas sales decreased by 12% and 8% respectively due to lower market demand resulting from the decline in the South African economy and the impact of the COVID-19 lockdown. Liquid fuels sales volumes of 52,7 million barrels exceeded the previous market guidance of approximately 50 - 51 million barrels due to a quicker recovery in fuel demand as a result of the earlier than anticipated easing of the COVID-19 lockdown regulations in South Africa.

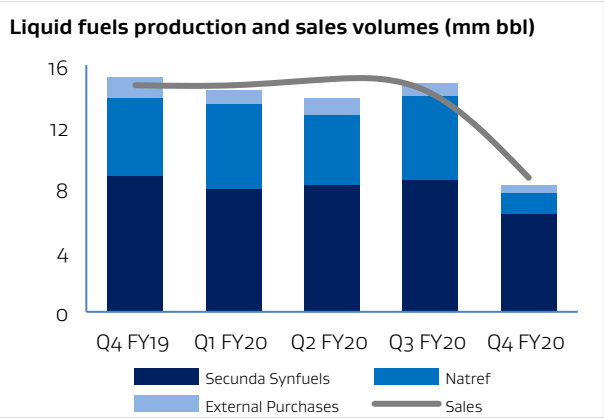
We opened five new retail convenience centres (RCCs) in FY20, three less than the previously communicated target of eight RCCs due to delays resulting from the COVID-19 lockdown. We have also divested from six non-trading sites as part of our strategic site divestment programme.

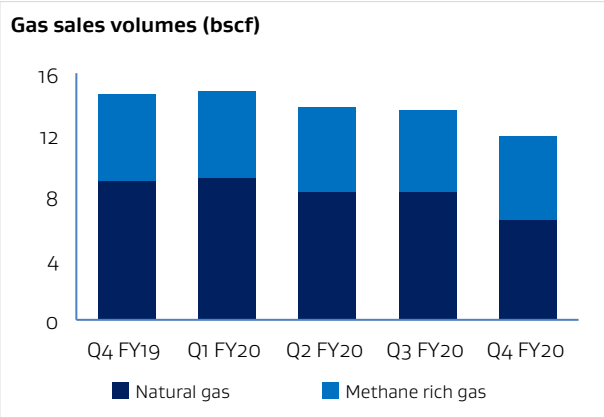
ORYX GTL achieved a utilisation rate of 57% in FY20 in line with the previous market guidance of a utilisation rate of 55% - 60%, due to the extended shutdown. Train 1 resumed operation at the beginning of June 2020 and is currently in stable operation. Inspection work performed at the start of the train 2 shutdown in January 2020 resulted in an extension of the required shutdown duration, therefore we expect train 2 to be back in operation in Q2 FY21.

Escravos GTL (EGTL) production volumes were 16% lower than the prior year due to both trains being on an extended shutdown from August 2019 to December 2019. Sasol sold its participating interest in EGTL to Chevron in June 2020, legally effective from 1 September 2019*.

		% change 2020 vs 2019	**Full year 2020**	Full year 2019	Full year 2018
Production					
Synfuels total refined product	mm bbl	(4)	**31,2**	32,6	32,4
Natref production	mm bbl	(22)	**16,8**	21,6	18,0
ORYX GTL					
Production	mm bbl	(29)	**3,31**	4,67	5,53
Utilisation rate of nameplate capacity	%		**57**	81	95
Escravos GTL (EGTL)					
Production (Sasol's 10% share)	mm bbl	(16)	**0,58**	0,69	0,65
External purchases (white product)	mm bbl	(41)	**3,3**	5,6	8,5
Sales					
Liquid fuels - white product	mm bbl	(12)	**50,4**	57,5	56,3
Liquid fuels - black product	mm bbl	(8)	**2,3**	2,5	2,4
Natural gas	bscf	(8)	**32,3**	35,2	33,6
Methane rich gas	bscf	–	**21,8**	21,8	21,7
Retail convenience centres (RCCs)	number		**409**	410	399

* The accounting effective date is June 2020 when all the conditions precedent were met.





Base Chemicals

Higher US volumes offset by lower foundation business sales and further softening of prices

The Base Chemicals foundation business (excluding Polymers US products) sales volumes for FY20 are 3% below the prior year mainly as a result of lower Q4 FY20 sales. The Q4 FY20 sales were significantly impacted by the COVID-19 pandemic resulting in lower market demand and associated lower SSO production rates.

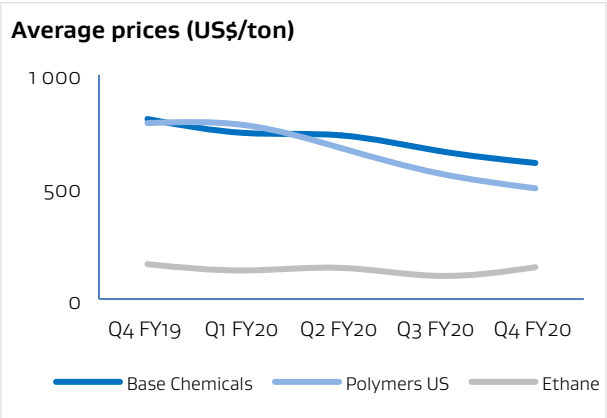
The Polymers US sales volumes for FY20 were more than double the prior year largely as a result of the LLDPE plant achieving beneficial operation in February 2019 and the new ethylene cracker achieving beneficial operation in August 2019. Q4 FY20 sales were 16% higher than Q3 FY20 due to high production rates, planned inventory reduction and record polyethylene sales.

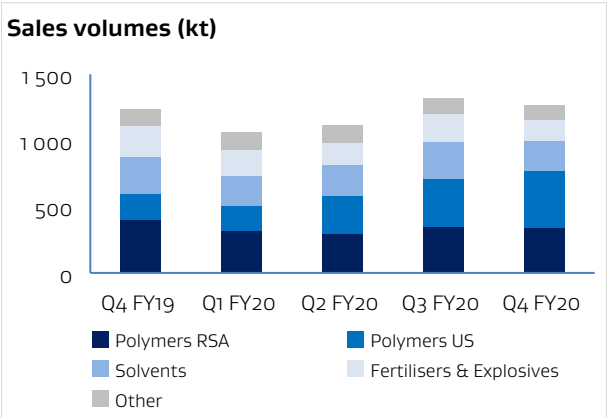
Base Chemicals' average sales basket price for FY20 decreased by 18% compared to the prior year and 8% in Q4 FY20 compared to Q3 FY20. Softer commodity chemical prices are being experienced across most of our sales regions and products, largely attributable to weaker global demand, increased global capacity particularly for polymers and more recently in Q4 FY20, the low oil price environment and the global COVID-19 pandemic.

Polymers US basket prices have continued to be impacted by product mix in Q4 FY20 with Base Chemicals selling a large amount of merchant ethylene following the delay in the low-density polyethylene (LDPE) start-up. US ethylene, co-product and global polymer prices have also been lower. Total FY20 ethylene & co-product sales as a ratio of total US Polymer sales were 10% higher than FY19. The ethane price increased by 37% in Q4 FY20 compared to Q3 FY20, with an average Q4 FY20 price of US$ 140 /ton (USc 19 /gallon).

		% change 2020 vs 2019	**Full year 2020**	Full year 2019	Full year 2018
Sales					
Polymers RSA	kt	(2)	**1 310**	1 341	1 372
Polymers US	kt	>100	**1 257**	411	270
Solvents	kt	2	**980**	961	962
Fertilizers	kt	(11)	**377**	425	429
Explosives	kt	(5)	**346**	364	330
Other	kt	(3)	**487**	500	496
	kt	19	**4 757**	4 002	3 859
Base Chemicals average sales basket price	US$/ton	(18)	**681**	830	851
Polymers US average sales basket price*	US$/ton	(35)	**596**	923	819

* Includes ethylene, co-products and LLDPE/HDPE.





Performance Chemicals

Solid performance in a challenging macro environment

The Performance Chemicals business delivered a solid H2 FY20 with similar or even increased volumes versus the prior year, especially visible in our Advanced Materials portfolio which benefitted from higher sales of green coke (carbon) as well as higher hard wax sales supported by a competitor's unplanned outage. Sales of Organics and other parts of Advanced Materials were impacted by the COVID-19 lockdown especially in end-market segments such as automotive, energy and construction, partly offset by the stronger demand seen in detergent and cleaners.

Against this backdrop, total sales volumes increased by 8% compared to FY19 as the LCCP EO/EG plant continues to produce as planned whilst the new LCCP ETO unit is ramping up smoothly, facing robust demand.

Excluding LCCP volumes, our Organics business sales decreased by 3% compared to FY19, mainly due to the unchanged soft macro environment and the COVID-19 pandemic impacting demand in key market segments. Our Organics portfolio sales price was negatively impacted by the higher proportion of monoethylene glycol (MEG) and lower oleochemicals pricing.

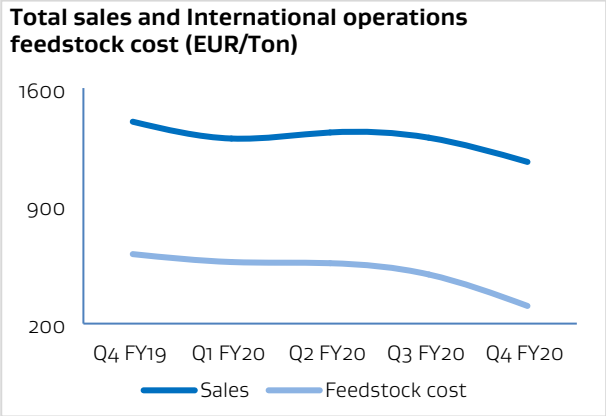
Hard wax sales increased year on year, however total wax sales volumes decreased slightly, mostly due to lower paraffin wax sales.

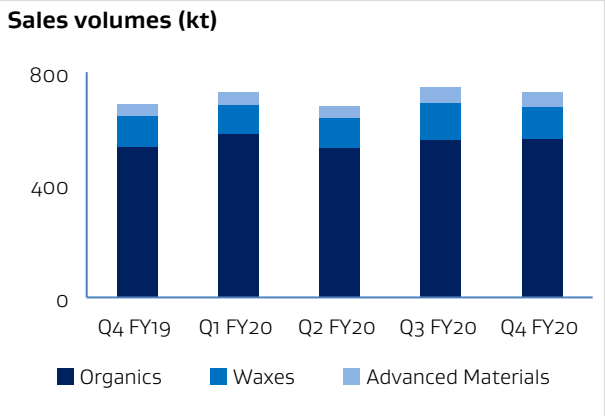
Our Advanced Materials business delivered a solid performance and has maintained robust margins, however we are seeing lower demand due to the COVID-19 lockdown in certain markets. Sales volumes were higher compared to the prior year but driven by lower value carbon sales.

		% change 2020 vs 2019	**Full year 2020**	Full year 2019	Full year 2018
International operations feedstock cost*	R/ton	(19)	**8 307**	10 219	10 222
International operations feedstock cost	EUR/ton	(24)	**479**	631	667
Sales**					
Organics	Rm	1	**52 168**	51 554	49 261
Waxes	Rm	6	**8 957**	8 475	8 462
Advanced Materials	Rm	(2)	**7 208**	7 360	6 537
	Rm	1	**68 333**	67 389	64 260
Sales volumes					
Organics	kt	10	**2 239**	2 038	2 065
Waxes	kt	(1)	**452**	456	495
Advanced Materials	kt	8	**191**	177	200
		8	**2 882**	2 671	2 760

* Includes key international feedstocks such as kerosene, North West Europe (NWE) ethylene, and US ethane, calculated over volumes consumed in order to derive the input costs for the period under review.

** Sales includes revenue from kerosene in our alkylates business of R4,6bn (FY19 — R4,4bn) that is sold back to third parties after paraffin is extracted. The sale back is recorded as revenue but is not included in production or sales volumes.





Lake Charles Chemicals Project

Ongoing focus as we ramp up plants to beneficial operation

At Lake Charles, we continue to focus on safely bringing the remaining plant into beneficial operation. The project continued with its exceptional safety record with a recordable case rate (RCR) of 0,11. Overall project completion was at 99% and capital expenditure amounted to US$12,7bn.

The ETO expansion achieved beneficial operation in January 2020. In June 2020, the Ziegler and Guerbet units achieved beneficial operation resulting in one hundred percent of LCCP´s specialty chemicals units now being online. 86 percent of the total nameplate capacity of LCCP is operational.

The last remaining unit to come online at LCCP will be the LDPE plant, which was damaged during a fire in January 2020. Repair work to the unit is tracking well and the unit is expected to achieve beneficial operation before the end of October 2020. Some challenges to restore the unit have caused a slight delay to the previous market guidance of end September 2020. During the time of the delay in the LDPE unit start-up, the ethylene produced by the cracker and destined for the unit is being sold externally. The projected earnings of the LCCP complex in this financial year will only be impacted by the loss in the margin of ethylene to low-density polyethylene. In addition, the insurance claim process is underway and the first insurance proceeds have been received.

The COVID-19 pandemic had limited impact on the LCCP commissioning and construction activities for the quarter under review and mitigation plans are in place to minimize potential impacts. The close out and demobilisation of the LCCP is progressing according to plan with the remainder of the work limited to the removal of scaffolding.

Site demobilisation of construction equipment, infrastructure and services will reach completion shortly after the last unit achieves beneficial operation. The resources on site have reduced to less than 400 people and follows the demobilisation plan. This includes the LDPE restoration resources.

		Full year 2020	Full year 2019
Cumulative capital expenditure to date	US$m	**12 712**	11 832
Cumulative cash flow*	US$m	**12 746**	11 449
Percentage of completion	%	**99**	98
Percentage of construction completion	%	**99**	94

*Cumulative cash flow exceeds cumulative capital expenditure due to the Investment tax credit expected to realize in November 2020 and December 2021. The projected capital expenditure (cash flow) for FY21 is US$ 110 million (net of an Investment Tax credit of $54m expected to realise in November 2020) with a final Investment Tax Credit expected to be received in December 2021 of US$ 79 million.

Latest hedging overview
as at 20 July 2020

		Full year[2] 2020	Q1 2021	Q2 2021	Q3 2021
Rand/US dollar currency – Zero-cost collar instruments[1]					
US$ exposure	US$bn	**10,1**	1,9	2,0	1,5
Open positions	US$bn	**5,4**	1,9	2,0	1,5
Settled	US$bn	**4,7**			
Annual average floor (open positions)	R/US$	**14,80**	14,76	14,95	14,67
Annual average cap (open positions)	R/US$	**17,77**	17,72	17,95	17,62
Realised losses recognised in the income statement	Rm	**(1 063)**			
Unrealised losses recognised in the income statement	Rm	**(3 235)**			
Amount included in the statement of financial position	Rm	**(2 861)**			
Ethane – Swap options[1]					
Number of barrels	mm bbl	**38,9**	7,5	7,0	7,0
Open positions	mm bbl	**21,5**	7,5	7,0	7,0
Settled	mm bbl	**17,4**			
Average ethane swap price (open positions)	US$ c/gal	**20**	22	19	17
Realised losses recognised in the income statement	Rm	**(1 124)**			
Unrealised gains recognised in the income statement	Rm	**391**			
Amount included in the statement of financial position	Rm	**(126)**			
Brent crude oil – Put options[1]					
Premium paid	US$m	**17,4**	8,6	13,7	6,0
Number of barrels	mm bbl	**6,5**	3,5	5,5	2,0
Open positions	mm bbl	**5,5**	3,5	5,5	2,0
Settled	mm bbl	**1,0**			
Average Brent crude oil price floor, net of costs (open positions)	US$/bbl	**34,49**	37,05	36,93	30,00
Realised losses recognised in the income statement	Rm	**(27)**			
Unrealised losses recognised in the income statement	Rm	**(126)**			
Amount included in the statement of financial position	Rm	**113**			
Brent crude oil – Swaps[1]					
Average swap price	US$/bbl	**31,41**			
Number of barrels	mm bbl	**5,0**			
Open positions	mm bbl				
Settled	mm bbl	**5,0**			
Realised losses recognised in the income statement	Rm	**(160)**			
Unrealised gains/(losses) recognised in the income statement	Rm				
Amount included in the statement of financial position	Rm				
Brent crude oil – Zero Cost Collars (ZCC)[1]					
Number of barrels	mm bbl	**3,1**	2,5	0,6	
Open positions	mm bbl	**3,1**	2,5	0,6	
Settled	mm bbl				
Average brent crude oil price floor	US$/bbl	**31,79**	30,86	36,00	
Average brent crude oil price cap	US$/bbl	**39,88**	38,76	45,00	
Realised gains/(losses) recognised in the income statement	Rm				
Unrealised losses recognised in the income statement	Rm	**(157)**			
Amount included in the statement of financial position	Rm	**(174)**			

[1] We target a hedge cover ratio of 40% – 80% for FY21.

[2] The open positions for full year 2020 reflects the trades executed as at 30 June 2020. Additional trades have been executed subsequent to 30 June 2020.

Abbreviations

m bbl - thousand barrels	kt - thousand tons
mm bbl - million barrels	Rm - Rand millions
mm tons - million tons	US$/ton - US dollar per ton
bscf - billion standard cubic feet	R/ton - Rand per ton
EUR/ton - Euro per ton	R/US$ - Rand/US dollar currency
US$/bbl - US dollar per barrel	US$bn - US dollar billions
US$/ton - US dollar per ton	US$m - US dollar millions
US$ c/gal - US dollar cent per gallon	m^3/h - cubic meter per hour
t/cm/s - tons per continuous miner per shift	

The preliminary production and sales metrics for the period ended 30 June 2020 and forward looking statements on FY21 have not been reviewed and reported on by our external auditors.

Disclaimer - Forward-looking statements

Sasol may, in this document, make certain statements that are not historical facts and relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, expectations, developments and business strategies. Examples of such forward-looking statements include, but are not limited to, the impact of the novel coronavirus (COVID-19) pandemic on Sasol's business, results of operations, financial condition and liquidity and statements regarding the effectiveness of any actions taken by Sasol to address or limit any impact of COVID-19 on its business; statements regarding exchange rate fluctuations, changing crude oil prices , volume growth, increases in market share, total shareholder return, executing our growth projects (including LCCP), oil and gas reserves, cost reductions, our climate change strategy and business performance outlook. Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour", "target", "forecast" and "project" and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors and others are discussed more fully in our most recent annual report on Form 20-F filed on 28 October 2019 and in other filings with the United States Securities and Exchange Commission. The list of factors discussed therein is not exhaustive; when relying on forward-looking statements to make investment decisions, you should carefully consider both these factors and other uncertainties and events. Forward-looking statements apply only as of the date on which they are made, and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

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