

**ADDRESS BY SASOL'S CHIEF EXECUTIVE OFFICER,
DAVID E. CONSTABLE**

**SASOL DINNER
"INNOVATION AND PARTNERSHIP – ORYX GTL'S WINNING COMBINATION"**

**WEDNESDAY, 7 DECEMBER 2011
DOHA, QATAR**

AUDIENCE:

ORYX GTL PARTNERS, GOVERNMENT, BUSINESS LEADERS, CUSTOMERS, KEY SERVICE PROVIDERS, INVESTORS / ANALYSTS, TWO SA MEDIA REPRESENTATIVES (INET BRIDGE AND ENGINEERING NEWS)

Thank you very much Ebbie.

Let me start by recognizing and welcoming our esteemed guests who are here with us this evening:

- His Excellency, Nasser Al Jayda, Chief Executive Officer of Qatar Petroleum International
- The Minister of Mineral Resources, Republic of Mozambique, the honorable Minister Esperanca Bias
- The Minister of Intergovernmental Relations, Alberta, Canada, the Honorable Cal Dallas
- The South African Ambassador to the State of Qatar, Dr Vincent Zulu
- The Canadian Ambassador to the State of Qatar, Mr Gary Luton
- And Mr Abdulrahkman Al Suwaidi, Chief Executive Officer, ORYX GTL

Thank you so much for making the time to be with us tonight for this special event to recognize innovation and partnerships in Qatar.

Good evening excellencies, ladies and gentlemen, honoured guests!

As-Salamu Alaykum.

In his absence, I would also like to thank His Excellency, Energy and Industry Minister, Dr Mohammed Bin Salaeh Al Sada, for hosting the 20th World Petroleum Congress here in Qatar, the first time this prestigious event has been held in the Middle East.

Tomorrow is the last day of the Congress, and I think we would all agree that we should congratulate Qatar on a job well done. From all reports it has been a magnificent occasion. In hosting such a successful event, Qatar has marked yet another milestone in its remarkable energy story.

On behalf of Sasol, it is a great honour for me to welcome all of you here this evening. We have come together tonight to celebrate the partnership between the government of Qatar, Qatar Petroleum and Sasol and to celebrate the ORYX GTL team's success story. This powerful partnership has set the benchmark for business success and it's wonderful to be back in Qatar, a country which is extremely important to our company's future.

Our celebration this evening also happens to be taking place on a date that is most auspicious in the history of this success story.

Exactly eight years ago to the day, the Qatar Petroleum and Sasol partnership officially launched the construction of the world's first full scale commercial gas-to-liquids venture – outside of South Africa. The laying of the foundation stone for the plant at Ras Laffan heralded not only the development of a new plant – but also the development of a new global industry.

The development of ORYX GTL was a game-changer in the global energy sector. This groundbreaking project showed how the combination of:

- abundant natural gas resources;
- innovative technologies; and
- a strong partnership with government with a clear goal in mind,

can give rise to world-class products for our broad customer base.

ORYX GTL introduced the world to products with superior environmental characteristics, producing ultra-low emissions during combustion as compared to conventional products from oil refineries. The market for these high quality gas-derived products was immediately established and demand continues to grow!

Sasol remains convinced that the combination of auto thermal reforming for syngas generation and slurry bed technology for hydrocarbon synthesis is an optimal process configuration, offering economies of scale that minimize capital and operating expenditures.

At the time, His Excellency, Abdullah Bin Hamad Al-Attiyah, Second Deputy Premier and Minister of Energy and Industry of Qatar, said the advent of this new industry, in partnership with Sasol Synfuels International, marked Qatar's commitment to become the GTL capital of the world. In just eight years, it is remarkable to see what the Qatari government has achieved in bringing that objective to life.

Over the past two decades, GTL has moved at a steady speed from just being an academic option to a full blown commercial reality here in Qatar. The increasing necessity for clean burning fuels plays well to the strengths inherent in our products and the government of Qatar was quick to respond. Upon recognizing the potential in GTL, the government established an alternate and more profitable route to market – for the country's plentiful natural gas reserves.

With a nameplate capacity of 32 400 barrels per day, Oryx was the first GTL plant to utilize project financing. Clearly, the ORYX Project marked the moment when the international money markets viewed GTL as a viable commercial alternative to traditional crude-derived products.

The statistics relating to ORYX GTL are impressive. Nearly 30 million construction hours were spent on the site, which covers 72 hectares, requiring 63 000 cubic meters of concrete. 550 kilometers of cabling was used, along with 26 000 tons of equipment to build the plant. Currently, 37 different nationalities are represented within ORYX GTL, making it a truly global venture.

There is no doubt that Qatar's spectacular rise is due largely to the vision of His Highness the Emir, Sheikh Hamad bin Khalifa Al Thani. The government's invaluable support to partners such as ourselves, provided us the platform from which we could encourage our stakeholders to recognise the enormous investment potential of Qatar.

The success we're experiencing at ORYX GTL continues to grow. The plant has increased its average daily production to more than 27 600 barrels per day from 20 000 barrels in 2010. This is the result of improved operational performance and continuing efforts to de-bottleneck the facility. ORYX GTL reached a peak average daily production of 32 000 bpd, or 99% of nameplate capacity in May this year. During September 2011, this was exceeded with a production of 33 900 bpd, or

105% of nameplate capacity. Along with our partners, we continue to focus our joint venture on ensuring sustainable and efficient operations.

And let's not forget safety. For us at Sasol, safety is at the forefront of all we do. We are very proud of ORYX's world class safety performance which has a Recordable Case Rate of just 0.11. My sincere congratulations goes out to the entire ORYX GTL team for producing such incredible safety statistics. And that's all I'm going to say about that because I don't want to jinx such great numbers!

This strong operational performance has turned ORYX GTL into a showcase operation that is enabling Sasol and its partners around the world to grow the GTL value proposition, including opportunities in Nigeria, Uzbekistan, Canada and the United States.

Sasol's ambition to grow the success of ORYX GTL remains intact, and we will continue to engage with the government on ways to enable expansion of our facilities here in Qatar. We're also evaluating a variety of value-adding projects which may well enhance the economics of this already successful venture.

I've mentioned the cleaner-burning nature of the products produced at ORYX GTL, but the detail is also worth reflecting upon. The plant produces two main products: GTL diesel and GTL naphtha. With almost zero sulphur, GTL diesel is a high performance and low emissions product. Capable of use in existing diesel engines in neat form, or as a blend stock, GTL diesel can achieve a remarkable particulate matter reduction of up to 70 percent. This delivers significant air quality advantages. Its high cetane number makes for cleaner and more complete combustion, improves cold start properties and also reduces noise.

Now, I arrived in Qatar earlier today from Durban, South Africa, where parties from across the globe are converging for the United Nations Framework Convention Climate Change meeting – otherwise known as COP17. While the climate change discussions are still underway, there is no doubt that the transition to a lower carbon and more climate resilient economy is going to have to be just that – a TRANSITION.

I also understand that Qatar will be hosting COP18 next year to work towards achieving a climate change agreement that provides for sustainable and workable solutions without compromising the welfare and competitiveness of nations.

In South Africa, the most significant climate change challenge we are facing is that our economy is built on coal as an energy feedstock, and coal is the most carbon-intensive resource. Coal accounts for more than 70% of our primary energy consumption in South Africa. It reflects our lack of oil and gas reserves as much as it highlights, in contrast, our vast reserves of coal.

With our hot and sunny South African climate, it's clear that solar energy is a potential opportunity for renewable energy but realistically, it will take at least two decades before it can begin to make any meaningful contribution to the South African primary energy mix.

Of course, South Africa cannot wait two decades to reduce its carbon emissions. We have a responsibility to take action now but must also balance our country's substantial developmental and socio-economic challenges. Like so many nations, we need a bridge to a lower carbon world, and we believe that bridge is a combination of energy efficiency and gas.

Through investments in energy efficiency and in finding and using gas from neighbouring Mozambique, Sasol has reduced its annual South African GHG emissions by 10 million tons between 2004 and 2011 – that's a reduction of 12%. And there is more to come!!

The story of how this happened is due to successful partnerships and regional co-operation between the governments of Mozambique and South Africa and Sasol. This too, has been our experience in Qatar.

As the world looks increasingly to gas, tonight we can pause to reflect on the success of Qatar and its transition to a more versatile and balanced production portfolio, more than any other gas producer in the world.

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While billions of dollars have been invested in GTL, we are proud that ORYX GTL was, and remains, the commercial GTL pioneer. Again, on behalf of Sasol, I'd like to thank our partners, the government of Qatar, Qatar Petroleum, our ORYX GTL joint venture team and all of our contractors for making this extraordinary success story a reality.

Shukran! Thank you very much.