



SASOL

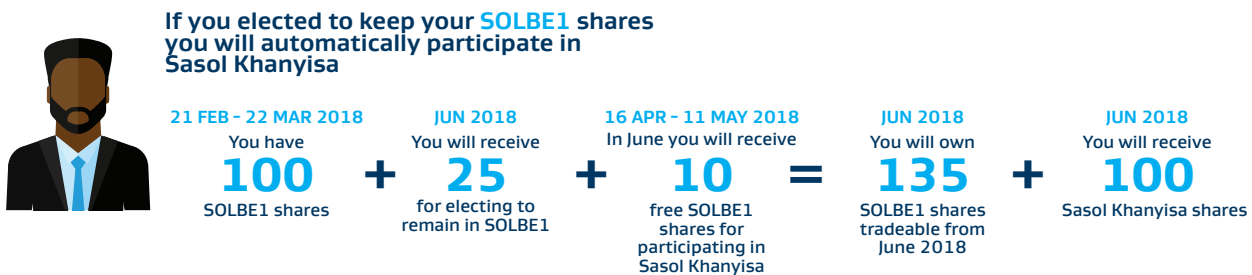
KHANYISA

FREE SHARE ALLOCATION LETTER

SASOL KHANYISA FREE SHARE ALLOCATION

On 16 April 2018, all Sasol Limited BEE Ordinary (SOLBE1) shareholders, who retained their SOLBE1 shares and all Sasol Inzalo Public Limited (SIPBEE) shareholders, will automatically participate in Sasol Khanyisa. If you are a SOLBE1 or SIPBEE shareholder, you will be given one SOLBE1 bonus share for every 10 SIPBEE/SOLBE1 shares you own. These SOLBE1 bonus shares will be tradeable from June 2018 subject to the availability of willing buyers.

IF YOU OWN 100 SOLBE1 SHARES, YOU WILL RECEIVE FOR FREE:



IF YOU OWN 100 SIPBEE SHARES:



If you sell your SIPBEE/SOLBE1 shares from 6 April - 8 May 2018, you sell these shares with all Sasol Khanyisa rights



Please note

- A SOLBE1 share is a Sasol Ordinary share trading on the BEE Empowerment Segment of the JSE and qualifies for Sasol dividends, if declared, in September and March of each year
- Your SOLBE1 bonus shares will be given to you for free on **Friday, 1 June 2018** and are tradeable immediately, dependent on available buyers in the market
- In 2028 (or earlier if the funding is settled before that date), your Sasol Khanyisa public shares will be exchanged for SOLBE1 shares on a fair value for value basis which you may choose to keep or sell. The choice is yours

You can reject your free shares, if you do not want to participate in Sasol Khanyisa

If you do not want to participate in Sasol Khanyisa, you can reject your free shares. But please note that if you choose to reject your free shares, you will not receive the free SOLBE1 shares or the free Sasol Khanyisa shares. Then in September 2018 when Sasol Inzalo comes to an end, your SIPBEE shares will be delisted from the Johannesburg Securities Exchange (JSE). Please also note that all SIPBEE shares will be suspended from trading on the JSE after the launch of Sasol Khanyisa.

As your SIPBEE shares were funded by external banks, any outstanding funding will first need to be settled in September 2018 before any value can be distributed to SIPBEE shareholders. Based on the current share price there is not likely to be any value distributed to shareholders after the funding has been settled.



Important dates

- If you do not want to participate in Sasol Khanyisa, you need to reject your free shares before 11 May 2018 by completing and returning the rejection form which is attached to the free shares allocation letter
- If you do nothing then you will automatically participate in Sasol Khanyisa and you will receive your free SOLBE1 shares and your free Sasol Khanyisa shares
- From 9 May 2018 all SIPBEE Shares will be suspended from trading on the JSE (whether or not holders are participating in the Sasol Khanyisa transaction) until the delisting of SIPBEE Shares on the JSE.
- This means that you will not be able to trade your SIPBEE Shares at all during this period

Information Helpline: 0800 000 222 (South African calls) | +27(0)11 370 7700 (International calls)
E-mail: sasolkhanyisa@computershare.co.za.

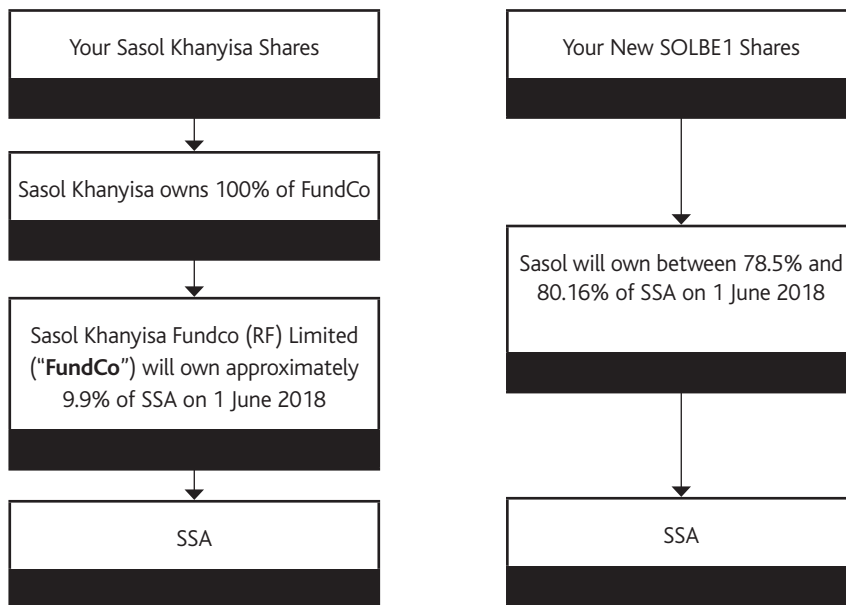
Disclaimer: While every effort has been made to ensure the accuracy of the information contained, Sasol Ltd accepts no liability for any inaccuracies. Shareholders are requested to confirm all details with Computershare.

16 April 2018

[Insert name of SOLBE1 Shareholder / Inzalo SIPBEE Shareholder]

Dear Shareholder

1. As a company proudly rooted in South Africa, Sasol Limited ("**Sasol**") is committed to Broad-Based Black Economic Empowerment ("**B-BBEE**") and to transformation in South Africa on all fronts including ownership and is therefore implementing the Sasol Khanyisa transaction ("**Sasol Khanyisa Transaction**"). The necessary approvals for the Sasol Khanyisa Transaction were obtained from Sasol Shareholders on 17 November 2017. Sasol Khanyisa is pleased to inform you, as the holder of shares in Sasol Inzalo Public (RF) Limited ("**SIPBEE Shares**") and/or as the holder of Sasol BEE ordinary shares ("**Existing SOLBE1 Shares**") recorded in the relevant share register on Friday, 6 April 2018, that:
 - 1.1 it is giving to you, for free, [🍏] Sasol Khanyisa ordinary shares ("**Your Sasol Khanyisa Shares**"); and
 - 1.2 it has arranged for Sasol to give to you, for free, [🍏] SOLBE1 Shares ("**Your New SOLBE1 Shares**").
2. **YOU WILL NOT RECEIVE YOUR SASOL KHANYISA SHARES OR YOUR NEW SOLBE1 SHARES IF YOU:**
 - 2.1 reject them by completing, signing and returning a Rejection Form (see paragraph 11); or
 - 2.2 sell your SIPBEE Shares or Existing SOLBE1 Shares as described in paragraph 19 of this letter.
3. Your Sasol Khanyisa Shares and Your New SOLBE1 Shares are together described as "**Your Shares**" in this letter.
4. Sasol and Sasol Khanyisa will not verify your B-BBEE credentials prior to the date when Your Shares will be issued to you, which is expected to be 1 June 2018. Sasol and Sasol Khanyisa assume that you hold the required B-BBEE credentials. However, Sasol and Sasol Khanyisa reserve the right to verify your B-BBEE credentials at any time after Your Shares have been issued to you.
5. The diagrams below show your direct investment in Your Sasol Khanyisa Shares in Sasol Khanyisa and Your New SOLBE1 Shares in Sasol, and indirectly in Sasol South Africa Proprietary Limited ("**SSA**"):



6. When you become a shareholder in Sasol Khanyisa you will be bound by the terms of Sasol Khanyisa's memorandum of incorporation ("**Sasol Khanyisa MOI**"), including the Khanyisa Automatic Share Exchange which is explained in paragraph 10 below. Please familiarise yourself with the entire Sasol Khanyisa MOI which can be accessed at <http://www.sasolkhanyisa.com/sasol-khanyisa-journey/>.

7. Your name will appear on the Sasol Khanyisa securities register showing that you own Your Sasol Khanyisa Shares. They will be issued to you in uncertificated form which means that you will not receive a paper share certificate for these shares as they will be issued to you in electronic form. Your Sasol Khanyisa Shares will be held in custody by Computershare Nominees Proprietary Limited ("**Computershare**"). You will be bound to the mandate and custody agreement with Computershare attached to the Sasol Khanyisa MOI. This arrangement will no longer apply when either the Khanyisa Automatic Share Exchange or the FundCo Automatic Share Exchange is implemented as set out in paragraph 10.
8. When you become a SOLBE1 shareholder in Sasol you will be bound by the terms of Sasol's memorandum of incorporation ("**Sasol MOI**"). The terms applying to Your New SOLBE1 Shares are set out in Schedule 6 of the Sasol MOI which can be accessed on Sasol's website at http://www.sasol.co.za/sites/sasol/files/content/files/2017-11-17-SASLTD%20MoI_7.PDF. SOLBE1 Shares are ordinary shares in Sasol which are listed on the empowerment segment of the JSE and therefore they can only be bought by black persons or black groups, under the rules of the empowerment segment of the JSE, which can be accessed at <http://www.sasolkhanyisa.com/sasol-khanyisa-journey/>.
9. Your name will appear on the Sasol securities register showing that you own Your New SOLBE1 Shares. They will be issued to you in uncertificated form which means that you will not receive a paper share certificate for these shares as they will be issued to you in electronic form. Your New SOLBE1 Shares will be held in custody by Computershare. You will be bound to the mandate and custody agreement with Computershare contained in the Sasol MOI.
10. Please note that the following is an important condition of Your Shares. On or around 1 June 2028, or earlier, if the funding referred to in paragraph 20.4 is settled, and if FundCo still has SSA shares after it has settled the funding and all its known liabilities, Sasol will decide that either:
 - 10.1 Your Sasol Khanyisa Shares will be exchanged for SOLBE1 Shares. The full details concerning this can be seen in clause 32 of the Sasol Khanyisa MOI (the "**Khanyisa Automatic Share Exchange**"); or
 - 10.2 the SSA shares held by FundCo will be exchanged for SOLBE1 Shares which will be distributed to you via Sasol Khanyisa. The full details concerning this can be seen in clause 31 of the memorandum of incorporation of FundCo, which can be accessed at <http://www.sasolkhanyisa.com/sasol-khanyisa-journey/> (the "**FundCo Automatic Share Exchange**").

This means that when either the Khanyisa Automatic Share Exchange or the FundCo Automatic Share Exchange happens you must transfer all of Your Sasol Khanyisa Shares to Sasol, for which you will receive SOLBE1 Shares, as set out in the Sasol Khanyisa MOI.
11. Your Shares will be given to you for free on Friday, 1 June 2018 unless you complete and send back the Rejection Form attached as Annexure A, or unless paragraph 19 applies. If you do not want to receive Your Shares, which are for free, then you must, by 12 pm (midday) on Friday, 11 May 2018 complete, sign and return the Rejection Form as explained in that form and in paragraph 17.1. It is important to understand that if you reject Your Shares you can only reject both Your Sasol Khanyisa Shares and Your New SOLBE1 Shares together. You cannot reject one and not the other.
12. It is also important to note the consequences outlined in paragraph 19 if you sell or have already sold some or all of your Existing SOLBE1 Shares or your SIPBEE Shares.
13. **Are you permitted to sell Your Shares?**
 - 13.1 You are permitted to sell Your New SOLBE1 Shares from Friday, 1 June 2018.
 - 13.2 You are not permitted to sell Your Sasol Khanyisa Shares because that is how SSA (in which you will have an indirect investment) will obtain its BEE ownership credentials until 31 May 2028, or earlier, after which if either the Khanyisa Automatic Share Exchange or the FundCo Automatic Share Exchange happens, you will receive SOLBE1 Shares and you will no longer own Your Sasol Khanyisa Shares. It is important for SSA to have BEE credentials as those credentials will enhance its business.
 - 13.3 There are certain other requirements and restrictions applying to Your Sasol Khanyisa Shares and Your New SOLBE1 Shares which you should familiarise yourself with by reading paragraph 23 below.

14. What are the benefits of you participating in the Sasol Khanyisa Transaction?

- 14.1 As Your New SOLBE1 Shares are being given to you for free and because you will be permitted to sell Your New SOLBE1 Shares from Friday, 1 June 2018, this could be of immediate benefit to you if there are buyers in the market. You can also choose to keep Your New SOLBE1 Shares and sell them at any time after 1 June 2018, which could similarly be of benefit to you. Because you get your New SOLBE1 Shares for free, you may be liable for tax on the price you receive when you sell.
- 14.2 If dividends are declared by SSA you will receive your share of such dividends on Your Sasol Khanyisa Shares. This is described in more detail in paragraphs 20.7 and 20.8 below.
- 14.3 If dividends are declared by Sasol you will receive your share of such dividends on Your New SOLBE1 Shares as well as on your Existing SOLBE1 Shares unless you have sold them.
- 14.4 If after paying off the funding set out in paragraph 20.4 by Wednesday, 31 May 2028, or earlier and FundCo still owns shares in SSA after either the Khanyisa Automatic Share Exchange or the FundCo Automatic Share Exchange is implemented, the end result will be that you will no longer own Your Sasol Khanyisa Shares but receive additional SOLBE1 Shares. You will be permitted to sell those additional SOLBE1 Shares.

15. What do you need to do if you want to receive Your Shares?

You do not have to do anything if you want to receive Your Shares. By doing nothing you will automatically participate in the Sasol Khanyisa Transaction and Your Shares will automatically be issued to you on 1 June 2018 for free.

16. Will your Existing SOLBE1 Shares and your SIPBEE Shares be affected by your participation in the Sasol Khanyisa Transaction?

- 16.1 Your Existing SOLBE1 Shares and your SIPBEE Shares will be unaffected by your participation in the Sasol Khanyisa Transaction.
- 16.2 From Wednesday, 9 May 2018 all SIPBEE Shares will be suspended from trading on the JSE until the delisting of SIPBEE Shares on the JSE. This means that whether you reject Your Shares or whether you participate in the Sasol Khanyisa Transaction you will not be able to trade your SIPBEE Shares at all during this period.
- 16.3 You are permitted to trade your Existing SOLBE1 Shares.
- 16.4 Please take careful note of the consequences of trading your Existing SOLBE1 Shares or SIPBEE Shares before Wednesday, 9 May 2018 as described in paragraph 19.

17. What to do if you do NOT want to receive Your Shares, which are for free?

- 17.1 Complete, sign and return the Rejection Form attached as Annexure A, or click here <https://vote.khanyisa.co> by no later than 12 pm (midday) on Friday, 11 May 2018. If you are going to deliver the Rejection Form and:
 - 17.1.1 Computershare is your CSDP as a SIPBEE shareholder or SOLBE1 shareholder, deliver the Rejection Form to Computershare at the address given in the Rejection Form;
 - 17.1.2 Computershare is not your CSDP, deliver the Rejection Form to your CSDP or broker.
- 17.2 If you do not want to receive Your Shares and need assistance in understanding how to complete the Rejection Form, please contact the Computershare call centre on 0800 000 222. Please note that Computershare is not authorised to, and may not, provide you with any legal, tax or other advice regarding this letter. Computershare is not authorised to advise you whether or not you should reject Your Shares. If it does, even though it is not authorised to, Sasol Khanyisa and/or Sasol are not responsible for that advice.

18. Will your Existing SOLBE1 Shares and SIPBEE Shares be affected by your rejecting participation in the Sasol Khanyisa Transaction?

18.1 SOLBE1 Shares

The only consequence is that Your Existing SOLBE1 Shares will be suspended from trading on the JSE. This means that you will not be able to trade your Existing SOLBE1 Shares from the date Computershare or your CSDP or broker receives your Rejection Form until Monday, 14 May 2018. Apart from that, there is no other effect on your Existing SOLBE1 Shares if you reject participating in the Sasol Khanyisa Transaction.

18.2 SIPBEE Shares

18.2.1 The only consequence is that Your SIPBEE Shares will be suspended from trading on the JSE if you deliver your Rejection Form and it is received by Computershare or your CSDP or broker before Wednesday, 9 May 2018. From 9 May 2018 all SIPBEE Shares will be suspended from trading (whether or not Rejection Forms have been delivered) until the delisting of the SIPBEE Shares on the JSE. This means that you will not be able to trade your SIPBEE Shares at all during this period.

18.2.2 Apart from this your SIPBEE Shares will not be affected if you reject participating in the Sasol Khanyisa Transaction.

19. What happens if you sell your Existing SOLBE1 Shares or your SIPBEE Shares?

19.1 If you sell all your Existing SOLBE1 Shares and/or all your SIPBEE Shares before Wednesday, 9 May 2018, Your Shares (i.e. Your New SOLBE1 Shares and Your Sasol Khanyisa Shares) will be issued to the buyer/s of those shares.

19.2 If you sell a part of your Existing SOLBE1 Shares and/or SIPBEE Shares before Wednesday, 9 May 2018, you will receive a part of Your Shares and the balance will go to the buyer/s of those shares.

19.3 Here are some examples:

19.3.1 if you held your Existing SOLBE1 Shares (but no SIPBEE Shares), and you sold half of them, you will receive half of Your Sasol Khanyisa Shares and half of Your New SOLBE1 Shares and the buyer/s will receive the other half;

19.3.2 if you held SIPBEE Shares (but no Existing SOLBE1 Shares), and you sold half of them, you will receive half of Your Sasol Khanyisa Shares and half of Your New SOLBE1 Shares and the buyer/s will receive the other half;

19.3.3 if you held Existing SOLBE1 Shares and SIPBEE Shares and you sold half of each of them, you will receive half of Your Sasol Khanyisa Shares and half of Your New SOLBE1 Shares and the buyer/s will receive the other half.

(This is what is known as trading 'cum rights' or 'with rights').

19.4 If you have not submitted a Rejection Form and you sell all or some of your Existing SOLBE1 Shares between Wednesday, 9 May 2018 and 12 pm (midday) on Friday, 11 May 2018 and as a result you no longer own all or some of your Existing SOLBE1 Shares, Your Shares will all be issued to you and none will be issued to the buyer/s. (This is what is known as trading 'ex rights' or 'without rights').

19.5 If you buy additional SOLBE1 Shares between Wednesday, 9 May 2018 and 12 pm (midday) on Friday, 11 May 2018, you will not receive any additional free Sasol Khanyisa Shares or any additional free New SOLBE1 Shares. This is because those additional SOLBE1 Shares which you have bought will have traded ex rights and therefore the additional free Sasol Khanyisa Shares and the additional free New SOLBE1 Shares will be received by the seller/s.

19.6 From Wednesday, 9 May 2018, it will not be possible to trade your SIPBEE Shares on the JSE. This means that your SIPBEE Shares only trade on a cum rights basis up until Wednesday, 9 May 2018 and never trade on an ex rights basis. The SIPBEE Shares will be suspended from trading from Wednesday, 9 May 2018, until the delisting of the SIPBEE Shares on the JSE.

20. Information about Sasol Khanyisa and FundCo and your shareholding in Sasol Khanyisa and Sasol

20.1 Sasol Khanyisa was incorporated as a new public company as part of the implementation of the Sasol Khanyisa Transaction. The sole purpose of Sasol Khanyisa is to own all the ordinary shares in FundCo. Sasol currently owns all the shares in SSA but new shares will be issued to FundCo.

20.2 Sasol Khanyisa will indirectly hold shares in SSA through its subsidiary FundCo.

20.3 FundCo was also incorporated as a new public company as part of the implementation of the Sasol Khanyisa Transaction. The sole purpose of FundCo is to own a maximum of a 10.7% shareholding in SSA. The actual percentage will depend on the number of Sasol Khanyisa shares issued because FundCo will own 1 SSA share for every 1 Sasol Khanyisa Share issued.

20.4 The purchase by FundCo of the SSA shares from SSA will be funded by Sasol which will receive preference shares in FundCo. This funding will be regulated through funding agreements ("**Funding Agreements**"). The FundCo MOI will contain the terms of the preference shares. See paragraph 20.8 for more details on how this funding will be repaid and what will happen if it is not.

- 20.5 The SSA shares which FundCo will hold will entitle FundCo to receive dividends declared by SSA and to appoint 1 director to the board of SSA and to vote as an SSA shareholder.
- 20.6 It is expected that the first annual general meeting of Sasol Khanyisa will be held during November 2018. You may want to familiarise yourself with clause 22.2.2 of the Sasol Khanyisa MOI which deals with the nomination and election of directors at annual general meetings.
- 20.7 There is no guarantee that dividends will be declared by SSA.
- 20.8 For so long as there is any money owing by FundCo under the Funding Agreements, 2.5% of any dividend which FundCo receives from SSA will be declared to Sasol Khanyisa. FundCo will not be entitled to declare any further dividend to Sasol Khanyisa for so long as there is any money owing under the Funding Agreements. The full 2.5% dividends received by Sasol Khanyisa from FundCo will be paid to the shareholders of Sasol Khanyisa, less any dividends tax, because Sasol has undertaken to pay all reasonable administration costs of Sasol Khanyisa. Although the share capital of Sasol Khanyisa will only be around R10 000.00, the share capital of Sasol Khanyisa is expected to be adequate because its reasonable administration costs will be paid by Sasol.
- 20.9 FundCo will use 97.5% of any dividends which it receives from SSA to repay the funding under the Funding Agreements. If this is not enough to have repaid the funding by 31 May 2028, then SSA shares held by FundCo, as well as any other assets which FundCo holds, will be used to repay the funding. This may mean that by 31 May 2028 FundCo has no SSA shares left, nor any other assets. Sasol Khanyisa will then be valueless. This will in no way affect the dividends you may have received on Your Sasol Khanyisa Shares and you will still have had the benefits of Your New SOLBE1 Shares.
- 20.10 If and when the funding is repaid in full, prior to the Khanyisa Automatic Share Exchange or the FundCo Automatic Share Exchange being implemented, FundCo will be entitled to declare 100% of the dividends which it receives from SSA to Sasol Khanyisa. If you are a shareholder of Sasol Khanyisa, you will receive your share of those dividends received by Sasol Khanyisa, less any dividends tax.
- 20.11 If there is any shortfall in repaying the funding, Sasol will only have a claim against FundCo to settle the shortfall. You will never have to pay any money yourself as a shareholder of Sasol Khanyisa.
- 20.12 Please note that shares may go down in value as much as they may increase in value due to external circumstances and circumstances related to SSA.
- 20.13 It is expected that the first annual general meeting of Sasol Khanyisa will be held during November 2018. Please familiarise yourself with clause 22.2.2 of the Sasol Khanyisa MOI which deals with the nomination and election of directors at annual general meetings.
- 21. What happens towards the end of May 2028, or earlier, if the funding has been repaid and how does the Khanyisa Automatic Share Exchange or the FundCo Automatic Share Exchange work?**
- If FundCo still has SSA shares after it has settled the funding and all its known liabilities either:
- 21.1 the Khanyisa Automatic Share Exchange will be implemented and Your Sasol Khanyisa Shares will be exchanged for SOLBE1 Shares which you will be permitted to sell immediately or which you may decide to keep. While you are a SOLBE1 shareholder you will automatically be bound to Schedule 6 of the Sasol MOI; or
- 21.2 the FundCo Automatic Share Exchange will be implemented and you will receive SOLBE1 Shares which you will be permitted to sell immediately or which you may decide to keep. You will only receive those SOLBE1 Shares after you sign a BEE Contract. This is a requirement of the JSE and Sasol whenever SOLBE1 Shares are transferred. Once Sasol Khanyisa has distributed its SOLBE1 Shares, Sasol Khanyisa will not have any value. Your Sasol Khanyisa Shares will be transferred to Sasol for no value. This will enable Sasol to wind up Sasol Khanyisa in an orderly way.
- 22. Business and Financial Information about SSA**
- 22.1 Since your underlying investment is indirectly in SSA, we have provided you with the following background business and financial information on SSA.
- 22.2 The business of SSA is currently focused on integrated chemicals and energy. SSA operates coal and gas based synthetic fuels and chemicals manufacturing facilities which produce chemicals, feedstocks, liquid fuels and electricity.
- 22.3 The business of SSA includes the Secunda Synfuels Operations, Secunda Chemicals Operations, Sasolburg Operations and SSA's South African-based marketing and sales of Base Chemical and Performance Chemical

products. The Base Chemicals business markets commodity chemicals including ethylene, propylene and ammonia value chains. The Performance Chemicals business markets a broad portfolio of organic and inorganic commodity and speciality chemicals, including Phenolics and Wax products produced in South Africa.

- 22.4 SSA holds, amongst others, a 100% share in Sasol Gas Proprietary Limited which markets and distributes Mozambique produced natural gas and methane rich gas produced at the Secunda Synfuels operations, to the Sasol Group and external customers in South Africa. SSA currently contributes approximately 50% of the Sasol Group's total cash generated from operating activities and is one of the Sasol Group's most cash generative businesses.
- 22.5 For purposes of the Sasol Khanyisa Transaction, SSA is independently valued at a fair value of R91.4 billion on 1 June 2018. This valuation was performed by an independent valuer as at 30 June 2017 and was adjusted by Sasol management to take account of the debt and debt-like items expected to be in SSA's books at Friday, 1 June 2018. This valuation was confirmed by Deloitte and accepted by the Sasol and SSA boards. Below is an extract of the valuation.

SSA fair value and Sasol Khanyisa acquisition value	
SSA equity fair value – after share issue to FundCo (independently valued)	±R91,4bn
Anticipated acquisition value of approximately 9.9% of SSA by FundCo, funded by way of preference share subscription by Sasol Limited ^{N1}	±R9bn

N1 – This depends on SOLBE1 participation in the Sasol Khanyisa Transaction

- 22.6 Set out below is current financial information for SSA as at 30 June 2017, extracted from the audited financial statements of SSA and Sasol Gas, which is a wholly-owned subsidiary of SSA.

Current financial information				
	Sasol South Africa		Sasol Gas ¹	
	2017	2016	2017	2016
<i>For the year ended 30 June</i>	Rm	Rm	Rm	Rm
Shareholders' equity	49 496	56 693	3 814	3 229
Cash	5 025	6 483	1 465	794
Total Debt	75 948	27 655	–	–
Profit before tax	713 ³	(3 642) ³	4 543	3 357
Return on Equity	4,34% ³	(4,69%) ³	85,9%	74,7%
Return on Invested Capital²	5,0%	(2,4%)	137,6%	98,7%
EBITDA⁵	19 982	21 048	4 588	3 575
Profit after tax (excluding impairments)	8 181	9 417	3 280	2 416
Adjusted Return on Equity⁴	12,1%	13,7%	85,94%	74,82%
Adjusted Return on Invested Capital^{2,4}	9,8%	12,1%	137,7%	99,0%
Cash available from operating activities	17 278	19 587	3 448	2 586
Cash utilised in investing activities	(13 681)	(12 949)	(78)	(98)
Net working capital	15 485	14 548	512	467

1 – Sasol Gas Proprietary Limited is a wholly owned subsidiary of SSA.

2 – Including Assets Under Construction.

3 – Profit before tax was negatively affected by impairment losses of approximately R10 billion in 2017 (2016 – R16 billion) relating to various Base and Performance Chemicals cash generating units within SSA. These impairments resulted largely from the stronger Rand/USD exchange rate forecasts, as well as an increase in the discount rate applicable to South Africa. The valuation of SSA for the purposes of the transaction was performed based on similar macro-economic assumptions; however, historic and forecasted cash flows are not affected by impairments. The macro-economic factors, and their impact on the business, are closely monitored by management.

4 – Calculated based on profit before tax, adjusted for the effect of impairments.

- EBITDA means earnings before interest, tax, depreciation/amortisation, as well as other non-cash items such as unrealised translation gains and losses and share-based payment expenses;

- Shareholder's equity is the net value attributable to SSA shareholders, after consideration of assets and liabilities on SSA's balance sheet;
- Return on invested capital is the percentage return (i.e. profit after tax) earned on the capital invested by SSA; and
- Net working capital is the net position of the inventory, trade and other receivables, and trade and other payables, on the balance sheet.

22.7 SSA, as a subsidiary in the Sasol Group, receives benefits and is subject to obligations which flow from being managed on an integrated basis with the rest of the Sasol Group. Clauses 6 and 24 of the SSA MOI contain more detail in this regard as well as many other provisions which may be of relevance to you as an indirect investor and can be accessed on Sasol's website at <http://www.sasolkhanyisa.com/sasol-khanyisa-journey/>.

23. Are there any restrictions on Your Shares?

Your Shares will be subject to certain restrictions described in clauses 5, 14, 34 and 37 of the Sasol Khanyisa MOI for Your Sasol Khanyisa Shares, and Schedule 6 of the Sasol MOI for Your New SOLBE1 Shares. Some of these restrictions if breached, could result in Your Shares being bought from you at a discounted price and in some cases at a very nominal price.

24. Tax and Legal Consequences

It is up to you to obtain advice of the tax and legal consequences to you of any of the transactions dealt with above.

25. Important dates and times

Record date (the date on which your name will have to have been entered in the securities register in order for you to qualify for the Free Share Allocation).	Friday, 6 April 2018.
If you sell or have sold all of your Existing SOLBE1 Shares and all your SIPBEE Shares, and have not delivered the Rejection Form, the shares trade cum rights (i.e. the buyer/s will receive all of Your Shares). See paragraph 19.1 above.	Period from Friday, 6 April 2018 to Tuesday, 8 May 2018.
If you sell or have sold a portion of your Existing SOLBE1 Shares or a portion of your SIPBEE Shares, and have not delivered the Rejection Form, the shares trade cum rights (i.e. the buyer/s will receive a portion of Your Shares). See paragraph 19.2 above.	Period from Friday, 6 April 2018 to Tuesday, 8 May 2018.
Period to deliver your Rejection Form.	Period from Monday, 16 April 2018 until 12 pm (midday) Friday, 11 May 2018.
Trading in Existing SOLBE1 Shares restricted if the Rejection Form delivered.	Period from date on which the Rejection Form is received by Computershare, your CSDP or broker until Monday, 14 May 2018.
Trading in your SIPBEE Shares restricted.	From the earlier of the date on which the Rejection Form is received by Computershare, your CSDP or broker or 9 May 2018, when all trading in SIPBEE Shares will be suspended, until delisting of SIPBEE Shares from the JSE.
If you sell all or a portion of your Existing SOLBE1 Shares, the shares trade ex rights (i.e. provided that you have not delivered the Rejection Form you will receive Your Shares).	Period from Wednesday, 9 May 2018 to 12 pm (midday) Friday, 11 May 2018.
If you buy additional SOLBE1 Shares, the shares trade ex rights (i.e. you will receive no additional Sasol Khanyisa shares or New SOLBE1 Shares).	Period from Wednesday, 9 May 2018 to 12 pm (midday) Friday, 11 May 2018.
Your Shares issued.	Friday, 1 June 2018.
No trading permitted in Sasol Khanyisa shares.	Period between Friday, 1 June 2018 and Wednesday, 31 May 2028.
You receive SOLBE1 Shares for Your Sasol Khanyisa Shares.	Around, but not later than Thursday, 1 June 2028.
Delisting of SIPBEE Shares from the JSE.	On or about 7 September 2018.

26. **Legal Information**

This letter is not an offer to you or to the public and it is not a prospectus. Because Your Shares are being issued for free, it is not necessary for Sasol Khanyisa or Sasol to have a prospectus regarding the issue of such shares.

27. **Can the Sasol Khanyisa Transaction not be implemented?**

If circumstances dictate, Sasol may decide not to implement the Sasol Khanyisa Transaction, and you will not receive Your Shares. If such a decision is made, Sasol will make the necessary announcements.

28. **Important information regarding your banking details**

We encourage you to contact the Computershare call centre (0800 000 222) preferably between Tuesday, 15 May 2018 and Thursday, 31 May 2018 to ensure that they have your correct and up to date banking details. This is to make sure that any money that is due to you in relation to Your Existing SOLBE1 Shares or your SIPBEE Shares or Your Shares, is paid into the correct bank account.

By order of the Sasol Khanyisa Public Board

Sasol South Africa Limited

Company Secretary

Date: 16 April 2018

REJECTION FORM

1. If you received this letter by post or email, please fill in your details below:

Your South African identity number																			
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I understand and acknowledge that if I do not insert my South African identity number, this Rejection Form may be treated as invalid in the sole discretion of Sasol Khanyisa and Sasol.

- I confirm that I have read and understood the entire letter to which this Rejection Form is attached.
- I confirm that **I DO NOT** want to receive the Sasol Khanyisa shares and the New SOLBE1 Shares to be made available to me for free.
- I confirm that Sasol Khanyisa and Sasol have not in any way directly or indirectly tried to persuade or induce me to reject my Sasol Khanyisa shares and my New SOLBE1 Shares and that my decision is solely as a result of my own determination that it is in my interest to reject.
- I understand that if I do not tick all the boxes, this Rejection Form may be treated as invalid in the sole discretion of Sasol Khanyisa and Sasol.

Name: _____

Date: _____

Signature: _____

2. If you hold your SIPBEE Shares and/or Existing SOLBE1 Shares in certificated form or in uncertificated form via the custody agreement with Computershare then you must:
- 2.1 post the completed Rejection Form to Computershare at the following postal address: PO Box 61051, Marshalltown, 2107;
 - 2.2 deliver the completed Rejection Form to Computershare at the following physical address: Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196; or
 - 2.3 scan and email the completed Rejection Form to Computershare at SasolKhanyisaCA@Computershare.co.za.
3. If you hold your SIPBEE Shares and/or Existing SOLBE1 Shares in uncertificated form via a custody agreement with a CSDP or broker other than Computershare, you must deliver the Rejection Form to your CSDP or broker in terms of the agreement between you and your CSDP or broker.
4. If you received this letter by email or SMS click on the following link <https://vote.khanyisa.co>. If you received this letter by post, you can also access an electronic copy of the Rejection Form at <http://www.sasolkhanyisa.com/sasol-khanyisa-journey/>.
5. Please note that the properly completed Rejection Form must be received by no later than 12 pm (midday) on Friday, 11 May 2018. If the Rejection Form is not properly completed or is not received by that date and time Your Shares will be issued to you.

{HOLDER – IDENTIFIER}

NOTES
