

**SASOL PRESIDENT AND CHIEF EXECUTIVE OFFICER
DAVID E CONSTABLE**

**CENTRAL TERMICA DE RESSANO GARCIA
INAUGURATION
THURSDAY, 28 AUGUST 2014**

[INTRODUCTION]

His Excellency, Armando Emilio Guebuza, President of the Republic of Mozambique

Your Excellencies, members of the Council of Ministers

Your Excellencies, members of Parliament

Her Excellency, the Governor of Maputo province

Our joint venture partners, Electricidade de Mozambique

The chairman of Sasol Limited, and members of executive management

Our contracting partner, Wartsila

Honoured guests,

Ladies and gentlemen.

Thank you, Dr Zimba.

Bom dia and bem vindos! Good day and welcome! It's great to be back in Mozambique, Sasol's home away from home. Thank you for joining us for the inauguration of Mozambique's first permanent large-scale, gas-fired power plant, Central Termica de Ressano Garcia, or CTRG, as it's more commonly called.

On behalf of Sasol it's both my pleasure and privilege to address you today.

The opening of our CTRG power plant comes just after Sasol's celebration of a decade of successful partnerships with the Government and people of Mozambique. Under the circumstances it is therefore most apt that our theme for today is the power of partnerships.

[TEN YEARS CELEBRATION]

Looking back, and over the years, Sasol has invested more than USD1,2 billion in the natural gas conversion project that delivers gas along a pipeline from the Temane fields in Mozambique to domestic gas markets, and to South Africa.

With our partners, the hydrocarbon company of Mozambique, CMH, representing the Mozambican government, and the International Finance Corporation, IFC, we developed the Pande and Temane gas fields, constructed the Central Processing Facility in Temane, and built the 865 kilometre cross-border pipeline. The project was a testament to the strong partnerships, which continue to exist between the governments of Mozambique and South Africa, and Sasol.

For the Government of Mozambique the gas conversion project was an opportunity to monetise a valuable national resource, build investor confidence, increase foreign direct investment, industrialise the economy, and stimulate economic growth.

For the South African Government and for Sasol, it provided all-important access to natural gas to support the establishment of a piped gas market in South Africa. Importantly it is also serving as a bridge to a lower-carbon economy reducing our piped gas customers' greenhouse gas emissions by more than 2 million tons annually.

Unsurprisingly the World Bank cited Mozambique's gas conversion project as a benchmark for undertaking new investments in Africa, in terms of social, political, economic and environmental criteria.

As a consequence, Sasol, together with our partners in the project CMH and the IFC, contributed to the establishment of an exploration and production industry, which helped position Mozambique as a great investment destination on the African continent. The presence of all of us, here today, highlights another successful collaboration this time with Electricidade de Mozambique, EDM, our joint venture partners in CTRG.

[CTRG SIGNIFICANCE]

There are a number of reasons why CTRG is such an important milestone for us.

First of all, it is the first permanent, gas-fired power plant in Mozambique. Second, it represents in-country monetisation of national resources on an industrial scale, as the first large-scale, permanent facility operating on gas made available from the 2012 expansion of our Central Processing Facility in Temane, which increased capacity by 53%. And third, most significantly, power generated from our 175 megawatt plant will be used to supply electricity to more than two million Mozambicans, which equates to 8% of the country's current demand.

The CTRG power plant, completed at a cost of USD246 million also represents a significant foreign direct investment, driving further growth and socioeconomic development.

But in assessing the positive contributions of the plant one has to look beyond numbers and percentages. CTRG represents an investment in people who are, at the end of the day, the true benefactors. Socio-economic development and nation-building largely depend on electricity in a way that those of us who switch on a light or television without a second thought often underestimate.

CTRG is more than a power plant. It represents an avenue of opportunity and will be a significant contributor towards creating an ever-widening circle of positive impacts on millions of people.

[ADDITIONAL CONTRIBUTIONS]

To actively support the growing energy sector, and to further support the number of positive benefits, together with our CTRG partners, we are involved in two initiatives at the nearby Ressano Garcia Secondary School. These initiatives are aimed at upgrading infrastructure and investing in teacher training in science-related subjects, with a particular focus on mathematics, chemistry, physics and biology.

We have also partnered with the Department of Mineral Resources, and educational institutions like the Eduardo Mondlane University to offer bursaries for tertiary studies.

Earlier this year, we signed a Memorandum of Understanding with the university focused on bridging the skills gap in the energy sector.

By working with local universities, we can help shape the curriculum and improve teaching methodologies to develop the necessary skills and capabilities required for the local oil and gas industry.

[LOOKING AHEAD]

Looking beyond our investments in CTRG and the wider community, our focus, at Sasol, is to continue to strengthen our various partnerships.

By working together with our Mozambican and South African partners, we will be well-placed to unlock the full potential of Mozambique's hydrocarbon resources in an integrated and sustainable manner, which will benefit not only the country but the broader region.

Given Sasol's experience in developing and commercialising technologies, and building and operating world-scale facilities, which produce liquid fuels, chemicals and low-carbon electricity, we can leverage our unique value proposition for the benefit of all stakeholders.

As a proud South African company, and with our technologies and know-how, we will be able to harness natural gas as a feedstock and convert it into high-value clean transportation fuels for which there is a growing global demand. This will not only improve energy security in Southern Africa, it will also stimulate further downstream manufacturing development and growth.

[THE QATAR EXAMPLE]

As was the case for Qatar several years ago, capitalising on Mozambique's abundant gas reserves will also enhance the country's profile as a global energy player.

In partnership with Qatar Petroleum, Sasol developed the world's first commercial-scale gas-to-liquids plant outside South Africa, ORYX GTL. Developed at a cost of USD1 billion ORYX GTL

came on stream in 2006, and continues to achieve new production records - consistently producing above its design capacity of 32 400 barrels per day.

By monetising gas and accessing lucrative global transport markets, our GTL technology has helped enable Qatar to benefit from a diversified energy production portfolio, supporting the country in being recognised as the gas capital of the world.

[THE FUTURE IS BRIGHT FOR MOZAMBIQUE]

Mozambique is not only an important gateway to the Southern African Development Community with its 300 million consumers; it is also situated in close proximity to the world's busiest shipping routes. This favourable location facilitates exports into Africa Asia and Europe.

In time, we have little doubt that the country can emulate Qatar's diversified export base given that the Rovuma Basin gas discoveries are large enough to support in-country gas monetisation options in addition to LNG.

To evaluate this exciting potential, two months ago, we announced our partnership with Mozambique's national oil company ENH, and the Italian energy multinational ENI to study a large-scale gas-to-liquids plant utilising Rovuma gas. In addition, in the Mozambique Basin, in 2013, we declared commerciality on two oil and two gas reservoirs in the Production Sharing Agreement (PSA) licence area. We are on track to submit a full field development plan for the PSA in early 2015. Here, we are considering a number of downstream options which match the PSA's resource estimates and include power, chemicals and piped gas. Our road ahead will most likely be a combination of these options and will build on the strategic partnerships we have established in Mozambique over the last several years.

[POWER OF PARTNERSHIPS]

Of course these opportunities are only made possible through the efforts of many, and this is certainly the case in the context of CTRG. My personal thanks to His Excellency, President Guebuza, for his vision and commitment in driving this project from what was a mere idea in 2011 to a reality today.

My appreciation and thanks also goes to Minister Namburete for his direct engagement in resolving a few of the challenges the team experienced during the implementation of the project.

On behalf of Sasol and the project team, our heartfelt thanks to Wartsila, our other contractors, and suppliers, as well as the people of EDM and Sasol who have all worked so hard to build this plant.

May you and your teams operate this facility safely and successfully in the years ahead.

And may our next decade of partnerships in Mozambique be as productive and mutually beneficial as the first ten years!

Obrigado.

Thank you very much.

---000---