

**MALLESONS STEPHEN JAQUES****Confidential communication**

22 January 2008

Attention Mr Blair Sergeant

Company Secretary  
Coal of Africa Limited  
Level 1, 173 Mounts Bay Rd  
Perth WA 6000  
Fax (08) 9322 6778

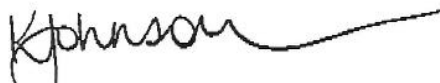
ASX Limited  
Company Announcements Office  
Level 4, 20 Bridge Street  
Sydney NSW 2000  
Fax 1900 999 279

Dear Mr Sergeant

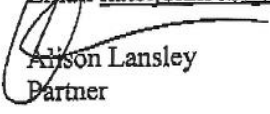
**Coal of Africa Limited - Form 603: Notice of Initial Substantial Holder**

We attach a Form 603 (Notice of initial substantial holder) in respect of Coal of Africa Limited on behalf of Africa Management Limited.

Yours sincerely



Kate Johnson  
Solicitor  
Direct line +61 3 9643 4370  
Fax +61 3 9643 5999  
Email [kate.johnson@mallesons.com](mailto:kate.johnson@mallesons.com)



Alison Lansley  
Partner

Encl 1

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## Form 603

Corporations Act 2001  
Section 671B

## Notice of initial substantial holder

To, Company Name	Coal of Africa Limited
ACN	008 905 388
1. Details of substantial holder (1)	
Name	Africa Management Limited on behalf of itself and Och-Ziff Capital Management Group LLC, Och-Ziff Holding Corporation, The Sovereign Group, Palladino Holdings Limited, Adriano Consultants Limited, OZ Management LP, OZ Africa Management GP, LLC, OZ Global Special Investments Master Fund, LP, OZ Europe Master Fund, Ltd, OZ Master Fund, Ltd, OZ Africa Investments (MD), Ltd, OZ Africa Investments (ME), Ltd, OZ Africa Investments (SI), Ltd and African Global Capital I, L.P.
ACN/ARSN (if applicable)	N/A

The holder became a substantial holder on 18/01/2008

## 2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in this scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	33,810,512	33,810,512	11.37%

## 3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Och-Ziff Capital Management Group LLC	Och-Ziff Capital Management Group LLC has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 fully paid ordinary shares ("Shares") (reflecting the total number of Shares in which African Global Capital I, L.P. ("AGC") has a relevant interest)
Och-Ziff Holding Corporation	Och-Ziff Holding Corporation has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
The Sovereign Group	The Sovereign Group has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
Palladino Holdings Limited	Palladino Holdings Limited has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
Adriano Consultants Limited	Adriano Consultants Limited has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
OZ Management LP	OZ Management LP has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
OZ Africa Management GP, LLC	OZ Africa Management GP, LLC has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
OZ Global Special Investments Master Fund, LP	OZ Global Special Investments Master Fund, LP has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
OZ Europe Master Fund, Ltd	OZ Europe Master Fund, Ltd has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
OZ Master Fund, Ltd	OZ Master Fund, Ltd has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
OZ Africa Investments (MD), Ltd	OZ Africa Investments (MD), Ltd has a relevant interest	33,810,512 Shares (reflecting the total

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	in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	number of Shares in which AGC has a relevant interest
OZ Africa Investments (ME), Ltd	OZ Africa Investments (ME), Ltd has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
OZ Africa Investments (SI), Ltd	OZ Africa Investments (SI), Ltd has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
Africa Management Limited	Africa Management Limited has a relevant interest in the holdings detailed below by virtue of section 608(3) of the Corporations Act 2001	33,810,512 Shares (reflecting the total number of Shares in which AGC has a relevant interest)
African Global Capital I, L.P.	AGC has a relevant interest in these Shares, being the registered owner of the Shares (following settlement of the transfer of the Shares). These Shares were acquired pursuant to an Agreement of Sale of Shares (and Option) dated 18 January 2008 ("Sale Agreement") (attached as Annexure A).	5,282,117 Shares
African Global Capital I, L.P.	AGC holds an option to acquire 28,528,395 Shares granted to it under the Sale Agreement which is exercisable in accordance with the terms of that agreement	28,528,395 Shares

## 4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (S)	Class and number of securities
African Global Capital I, L.P.	Mojoli Resources (Pty) Ltd	African Global Capital I, L.P.	5,282,117 Shares
African Global Capital I, L.P.	Mojoli Resources (Pty) Ltd	African Global Capital I, L.P. (if it exercises the option outlined in section 3 above)	15,638,853 Shares
African Global Capital I, L.P.	Nonkubela Nkoyiso Mazwai	African Global Capital I, L.P. (if it exercises the option outlined in section 3 above)	5,103,096 Shares
African Global Capital I, L.P.	Nchakha D Moloi	African Global Capital I, L.P. (if it exercises the option outlined in section 3 above)	7,786,446 Shares

## 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (R)		Class and number of securities
		Cash	Non-Cash	
African Global Capital I, L.P.	18 January 2008	US\$8,000,000	-	5,282,117 Shares
African Global Capital I, L.P.	18 January 2008	US\$47,471,248 (To be paid only if the option referred to above is exercised. No amount is payable in respect of the grant of the option.)	-	28,528,395 Shares

## 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
African Global Capital I, L.P.	African Global Capital I, L.P. ("AGC")
Och-Ziff Capital Management Group LLC	Och-Ziff Capital Management Group LLC is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
Och-Ziff Holding Corporation	Och-Ziff Holding Corporation is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
The Sovereign Group	The Sovereign Group is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
Palladino Holdings Limited	Palladino Holdings Limited is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
Adriano Consultants Limited	Adriano Consultants Limited is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001

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OZ Management LP	OZ Management LP is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
OZ Africa Management GP, LLC	OZ Africa Management GP, LLC is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
OZ Global Special Investments Master Fund, LP	OZ Global Special Investments Master Fund, LP is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
OZ Europe Master Fund, Ltd	OZ Europe Master Fund, Ltd is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
OZ Master Fund, Ltd	OZ Master Fund, Ltd is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
OZ Africa Investments (MD), Ltd	OZ Africa Investments (MD), Ltd is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
OZ Africa Investments (ME), Ltd	OZ Africa Investments (ME), Ltd is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
OZ Africa Investments (SI), Ltd	OZ Africa Investments (SI), Ltd is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001
Africa Management Limited	Africa Management Limited is an associate of AGC because it exercises control by virtue of section 12(2) of the Corporations Act 2001

## 7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
African Global Capital I, L.P.	Walkers SPV Limited, Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands
Och-Ziff Capital Management Group LLC	1209 Orange Street, in the City of Wilmington, County of New Castle
Och-Ziff Holding Corporation	1209 Orange Street, in the City of Wilmington, County of New Castle
The Sovereign Group	PO Box 170, Churchil Building, Front Street, Grand Turk, Turks and Caicos Islands
Palladino Holdings Limited	PO Box 170, Churchil Building, Front Street, Grand Turk, Turks and Caicos Islands
Adriano Consultants Limited	Mill Mall, Suite 6, Wickhams Cay 1, PO Box 3085, Road Town, Tortola, British Virgin Islands
OZ Management LP	Level 39, 9 West 57 <sup>th</sup> Street, New York, New York, 10016
OZ Africa Management GP, LLC	Level 39, 9 West 57 <sup>th</sup> Street, New York, New York, 10016
OZ Global Special Investments Master Fund, LP	c/o Goldman Sachs (Cayman) Trust, Ltd, Harbour Centre, P.O. Box 895, George Town, Grand Cayman, Cayman Islands
OZ Europe Master Fund, Ltd	c/o Goldman Sachs (Cayman) Trust, Ltd, Harbour Centre, P.O. Box 895, George Town, Grand Cayman, Cayman Islands
OZ Master Fund, Ltd	c/o Goldman Sachs (Cayman) Trust, Ltd, Harbour Centre, P.O. Box 895, George Town, Grand Cayman, Cayman Islands
OZ Africa Investments (MD), Ltd	Walkers SPV Limited, Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands
OZ Africa Investments (ME), Ltd	Walkers SPV Limited, Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands
OZ Africa Investments (SI), Ltd	Walkers SPV Limited, Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands
Africa Management Limited	Ogier House, St Julian's Avenue, St Peter Port, Guernsey, GY1 1WA

## Signature

print name MC Leech capacity Director of Africa Management  
 sign here [Signature] date 18/01/08 Limited

## DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) include details of:
- (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

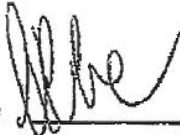
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## Annexure A

Africa Management Limited on behalf of itself and Och-Ziff Capital Management Group LLC, Och-Ziff Holding Corporation, The Sovereign Group, Palladino Holdings Limited, Adriano Consultants Limited, OZ Management LP, OZ Africa Management GP, LLC, OZ Global Special Investments Master Fund, LP, OZ Europe Master Fund, Ltd, OZ Master Fund, Ltd, OZ Africa Investments (MD), Ltd, OZ Africa Investments (ME), Ltd, OZ Africa Investments (SI), Ltd and African Global Capital I, L.P.

This is Annexure A, which includes this page and the following 22 pages, referred to in Form 603 Notice of Initial Substantial Holder

Signed



Name

Mr Weiss

Date

(18/01/2008)

## Agreement of Sale of Shares (and Option) ("the Agreement")

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between :

Motjoli Resources (Pty) Ltd

and

Nonkqubela Noloyiso Mazwai

and

Nchakha D Moloi

(together, the "Sellers" and each a "Seller")

and

African Global Capital I, L.P.

("the Purchaser")

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This agreement is made on 18 January 2008

**Recordal / Transaction**

1. The Sellers own 33,810,512 shares listed on the Johannesburg Stock Exchange in Coal of Africa Limited (previously GVM Metals Limited), a company registered in accordance with the laws of Australia ("the Company"), in the proportions set out opposite each Seller's name in column 2 of Schedule 1.
2. The Sellers hereby sell, and grant an option in respect of, a total of 33,810,512 shares in the Company to the Purchaser ("the sale shares").
3. Of the sale shares, 5,282,117 shares are purchased immediately by the Purchaser from the Sellers in the proportions set out in column 3 of schedule 1 upon signature hereof ("the first tranche").
4. The balance of the shares, being 28,528,395 shares, will be purchased (subject to the exercise of the option referred to below) by the Purchaser from the Sellers in the proportions set out in column 4 of schedule 1 on completion of the due diligence referred to hereunder ("the second tranche").

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**Purchase Price**

5. The sale shares will be purchased as per the following determination and shall be payable by the Purchaser to the Sellers, in respect to the first tranche, in accordance with the provisions of clause 6 below and, in respect of the second tranche, in accordance with the provisions of clause 15 below, and of which:
- 5.1. the Purchaser shall pay to the Sellers an aggregate amount of US\$8,000,000 for the purchase of the first tranche, to be allocated between the Sellers in the amounts set out opposite each Seller's name in column 5 of Schedule 1; and
- 5.2. subject to the exercise of the option referred to in clause 10 below, the Purchaser shall pay to the Sellers an aggregate amount of US\$47,471,248 for the second tranche, to be allocated between the Sellers in the amounts set out opposite each Seller's name in column 6 of Schedule 1.
6. The sale of the first tranche will be implemented immediately (not later than five days from the date of signature) upon signature hereof, as follows:

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- 6.1. by each Seller instructing its Central Securities Depository Participant ("CSDP") in writing to transfer ownership and membership of its respective proportion of the first tranche to the Purchaser (or its nominee); and
- 6.2. the Purchaser (or its nominee) instructing its CSDP in writing to make payment of the entire purchase price for the first tranche to the Sellers in accordance with clause 5.1;

all in accordance with the provisions of section 91A of the Companies Act and in accordance with the normal settlement procedure in practice in the South African market in terms of the Rules of the Johannesburg Stock Exchange and the STRATE (Share Transactions Totally Electronic) settlement system.

#### **The Due Diligence**

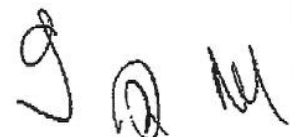
7. Upon signature hereof each Seller will allow due diligence to be conducted by the Purchaser in respect of the sale shares and the Company, for a period of 30 (thirty) days from signature.

*Handwritten signature and initials*

8. Each Seller will cooperate fully in making reasonably requested documents and information available to the Purchaser for the purposes of the due diligence. It is recorded and agreed that whilst the Company is not a party to this agreement, any information or documentation requested pursuant to clause 9 below shall be restricted to such information which can be reasonably obtained by the Sellers and any information which is in the public domain.
9. The Sellers will cooperate fully in making reasonably requested documents and information available to the Purchaser for the purposes of the due diligence.

#### The Option

10. Pursuant to the aforementioned due diligence investigation the Purchaser hereby (subject to clauses 11 and 15 below) is granted an option ("the option") to purchase the second tranche of shares.
11. After the Purchaser has paid for the first tranche of shares, it shall have an unconditional and irrevocable option to purchase the second tranche shares ("the option shares") for the purchase price outlined in clause 5.2 above. For the purposes of this Agreement, references to the "option shares" include any



additional shares issued in respect of the option shares by way of capitalisation of profits or reserves and any securities directly or indirectly representing option shares following any reorganisation or reconstruction of capital, including a subdivision or consolidation.

12. This option may be exercised by the Purchaser, in its sole and absolute discretion, at any time in writing during the due diligence period (referred to in clause 7 above) and for a period of 14 (fourteen) days thereafter ("the option period").
13. During the option period the Sellers may not sell or encumber the option shares in any manner whatsoever.
14. If the Purchaser does not exercise the option during the option period, then the option shall lapse.
15. If and when the option is exercised, an agreement of sale will come into being and the transfer of the option shares and payment will take place on the business day following receipt by the Sellers of the notice of exercise of the option in accordance with the provisions of clause 38 and in the same manner as with the first tranche referred to in clause 6 above.

**Warranties by the Sellers**

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16. Each Seller warrants in particular on the signature date hereof that –

16.1. it is the legal and beneficial owner of its respective proportion of the sale shares;

16.2. the sale shares are not subject to any encumbrance. For the purposes of this clause 16.2, encumbrance shall mean any pledge, charge, mortgage, option, right of first refusal, retention of title, derivative, or other third party right or security interest of any kind;

16.3. no pre-emption rights apply to the sale shares, or alternatively, that all or any parties who had pre-emptive rights or entitlement in respect of the sale shares have waived such rights prior to the signature of this Agreement; and

16.4. it is entitled to dispose of its respective proportion of sale shares to the Purchaser.

17. Each Seller further warrants to the Purchaser that the warranties contained in clause 16 above will be true and accurate and not misleading on each day during the option period.

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18. Each of the warranties given by the Sellers in clause 16 and 17 are material and shall be a separate warranty and shall in no way be limited or restricted by reference to or by inference from the term of any other warranty.
19. Each warranty shall continue and remain in force notwithstanding the completion of the transactions provided for in this Agreement.
20. Each Seller acknowledges that the Purchaser is entering into this Agreement relying on the warranties given by each Seller in this Agreement.

#### Warranties by the Purchaser

21. The Purchaser warrants in favour of the Sellers that on the signature date hereof:
- 21.1. all regulatory approvals and/or legal requirements required by the Purchaser for purposes of this transaction and/or funding of the purchase price have been obtained and disclosed to the Sellers;

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- 21.2. it has the requisite authority and corporate power to enter into this Agreement and this Agreement shall not contravene any applicable laws or any agreements entered into by it.
22. Each of the warranties given by the Purchaser in clause 21 are material and shall be a separate warranty and shall in no way be limited or restricted by reference to or by inference from the term of any other warranty.
23. Each warranty shall continue and remain in force notwithstanding the completion of the transactions provided for in this Agreement.
24. The Purchaser acknowledges that the Sellers are entering into this Agreement relying on the warranties given by the Purchaser in this Agreement.
25. **Breach Clause**
- 25.1. If any Party breaches any provision of this Agreement and remains in breach for 7 (seven) days (or such longer period as may be agreed upon between the Parties) after receipt of written notice from the aggrieved party requiring it to rectify the breach, the aggrieved party

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shall be entitled at its option (and without prejudice to any other rights that it may have at law) -

25.1.1. to sue for specific performance of the defaulting party's obligations under this Agreement; or

25.1.2. (either as an alternative to a claim in terms of the previous sub-paragraph or upon the abandonment of such a claim) to cancel the sale by notice in writing to the defaulting party and the other Parties to this Agreement and to sue for such damages as that party may have suffered as a result of the cancellation.

25.2. No Party shall be entitled to cancel this Agreement on the grounds of a breach of a term or warranty contained in this Agreement unless it is a material breach of a material term or warranty which has not been remedied by the Party in breach after being given notice to remedy as provided for in this Agreement.

## 26. Announcements and Confidentiality

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- 26.1. Subject to clause 26.2, none of the Parties shall disclose to any third party (which, for the avoidance of doubt, in respect of the Purchaser shall not include any party with an interest directly or indirectly in the Purchaser or any associated entity of the Purchaser) the fact or information concerning the conclusion of this Agreement or the terms of this Agreement without the prior written consent of the other Parties' to this Agreement, provided that such consent may not be unreasonably withheld.
- 26.2. The provisions of clause 26.1 shall not apply to any information which is required to be furnished or any announcement or statement which any of the Parties are obliged to make, in terms of the Companies Act or any other law or enactment in any jurisdiction, the Listing Requirements of the Australian Securities Exchange, the JSE Securities Exchange or any other relevant stock exchange, provided that the Party in question shall consult with the other Parties before furnishing such information or making any such announcement or statement.
- 26.3. Each party shall at all times keep in confidence any confidential information of the other Parties, which it

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may acquire for the purpose of or in connection with this Agreement, and shall not use or permit the use of such information to any third party.

26.4. The Parties also agree, subject to clause 26.2 above, to keep the existence and contents of this Agreement confidential among themselves, and each Party accordingly undertakes to the other Parties not to disclose the existence or any of the contents of this Agreement to any third party, without the prior written consent of the other Parties.

26.5. Each of the Parties shall use their reasonable endeavours to procure that its officers, employees and agents observe a corresponding obligation of confidence to that set out in clauses 26.3 and 26.4 above in relation to the Parties themselves.

**27. No cession, delegation or assignment**

Neither the Sellers on the one hand nor the Purchaser on the other hand shall be entitled to cede their rights, delegate their obligations or assign their rights and obligations, hereunder, to any third party without the prior written consent of the other party to this Agreement.

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## 28. Nomination

28.1. The Purchaser shall be entitled to nominate an associated party of it as Purchaser in its stead, in respect of either the purchase of the first tranche or the second tranche, provided that:

28.1.1. Such nomination shall take place in writing within 24 hours of signature of this Agreement by all parties (in the case of the purchase of the first tranche) or on or prior to the date of exercise of the option (in the case of the purchase of the second tranche);

28.1.2. The associated party accepts such nomination in writing.

28.1.3. Such nomination will not in anyway compromise the transaction or dilute the rights of the Seller or delay/prolong the settlement time as per clause 6 of this Agreement.

28.2. In any event, and notwithstanding such nomination, the Purchaser hereby binds itself as surety and co-principal

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debtor with the associated party for the due and punctual performance of all the obligations of such nominated party arising from the Agreement.

#### 29. Remedies

Subject to the provisions of clause 25, no remedy conferred by this Agreement is intended to be exclusive of any other remedy which is otherwise available at law, by statute or otherwise. Each remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law, by statute or otherwise. The election of any one or more remedy by any of the Parties shall not constitute a waiver by such party of the right to pursue any other remedy.

#### 30. Severance

If any provision of this Agreement, which is not material to its efficacy as a whole is rendered void, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

#### 31. Entire contract

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This Agreement contains all the provisions agreed on by the parties with regard to the subject matter of the Agreement and the parties waive the right to rely on any alleged provision not contained in the Agreement.

**32. No representations**

No party may rely on any representation, which allegedly induced that party to enter into this Agreement, unless the representation is recorded in this Agreement.

**33. No variations**

No contract varying, adding to, deleting from, novating or cancelling this Agreement, and no waiver of any right under this Agreement, nor any *pactum de non petendo*, shall be effective unless reduced to writing and signed by or on behalf of the parties

**34. Counterparts**

This Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Agreement by signing any such counterpart.

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### 35. Governing Law

The validity of this Agreement, its interpretation, the respective rights and obligations of the Parties and all other matters arising in any way out of it or its expiration or earlier termination for any reason shall be determined in accordance with the laws of South Africa.

### 36. Indulgence

If a party at any time breaches any of that party's obligations under this Agreement, any of the other parties: –

36.1. May at any time after that breach exercise any right that became exercisable directly or indirectly as a result of the breach, unless the aggrieved party has expressly elected in writing not to exercise the right;

36.2. Shall not be estopped (i.e. precluded) from exercising the aggrieved party's rights arising out of that breach, despite the fact that the aggrieved party may have elected or agreed on one or more previous occasions not to exercise the rights arising out of the same or any similar breach or breaches.

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**37. Miscellaneous**

37.1. **Supercession of any prior arrangements** - This Agreement supersedes all prior arrangements, undertakings and understandings, including suspensive conditions between the parties whether tacit, oral, written or otherwise.

37.2. **Co-operation** - The parties undertake to co-operate and consult with one another in good faith in the taking of all such steps as may be open to them and necessary for the maintenance of the import of this Agreement.

37.3. If a legal entity, partnership, joint venture or trustees of a Trust is a party or surety or otherwise concerned with this Agreement, any person signing as a representative or trustee or on behalf of any of the aforesaid, such person or signatory warrants his/her authority.

**38. Notices and Domicile****38.1. Giving of notices**

38.1.1. Any written notice (other than one sent by telefax) in connection with this Agreement

A handwritten signature in black ink, appearing to be 'G. M.', is located at the bottom right of the page.

shall be addressed to the *domicilium citandi et executandi* selected by the party to whom the notice is addressed, pursuant to clause 38.2 below. No notice shall be sent by ordinary mail, and all notices shall either be sent by registered mail or by fax or by courier or be delivered by hand.

38.1.2. The notice shall be deemed to have been duly given :

38.1.2.1. on delivery, if delivered to the party's physical address;

38.1.2.2. on dispatch, if sent to the party's then telefax number.

38.2. Addresses

38.2.1. The parties choose the following physical addresses at which documents in legal proceedings in connection with this Agreement may be served (i.e. their *domicilia citandi et executandi*) :

g. @ M



38.2.1.1. Motjoli Resources (Pty)

Ltd: 6<sup>th</sup> Floor, 11  
Diagonal Street,  
Johannesburg, 2001, Fax  
[011] 838 4201

38.2.1.2. Nonkqubela Noloyiso

Mazwai: 6<sup>th</sup> Floor, 11  
Diagonal Street,  
Johannesburg, 2001, Fax  
[011] 838 4201

38.2.1.3. Nchakha D Molo: 6<sup>th</sup>

Floor, 11 Diagonal Street,  
Johannesburg, 2001, Fax  
[011] 838 4201

38.2.1.4. Purchaser: Africa

Management Limited c/o  
Ogier House, St Julian's  
Avenue, St Peter Port,  
Guernsey GY1 1WA, Fax:  
+44 1481 721575

G. O. M.

38.2.2. A party may change that party's address for this purpose to another physical address by notice in writing to the other party.

SIGNED by

on behalf of

Motjoli Resources (Pty) Ltd

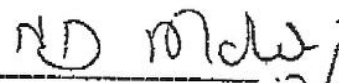
)

SIGNATURE:



)

NAME:

 17/01/2008

SIGNED by

Nonkqubela Noloyiso Mazwai

)

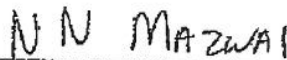
SIGNATURE:



17/January/08

)

NAME:

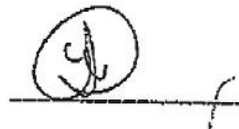


SIGNED by

Nchakha D Moloi

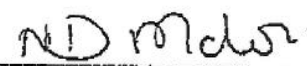
)

SIGNATURE:



)

NAME:

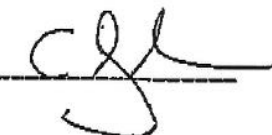
 17/01/2008

SIGNED by

African Global Capital I, L.P.

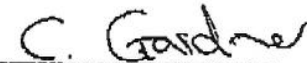
)

SIGNATURE:



)

NAME:



(by its general partner Africa

Management Limited)

17/01/2008

For personal use only

Received Brian Lee 18/01/08 9:11am

20

38.2.2. A party may change that party's address for this purpose to another physical address by notice in writing to the other party.

SIGNED by ) SIGNATURE: \_\_\_\_\_  
on behalf of )  
Motjoli Resources (Pty) Ltd ) NAME: \_\_\_\_\_

SIGNED by ) SIGNATURE: \_\_\_\_\_  
Nonkqubela Noloyiso Mazwai )  
NAME: \_\_\_\_\_

SIGNED by ) SIGNATURE: \_\_\_\_\_  
Nchakha D Moloi )  
NAME: \_\_\_\_\_

SIGNED by ) SIGNATURE: \_\_\_\_\_  
)

African Global Capital I, L.P. )  
(by its general partner Africa  
Management Limited)

NAME: MC Lucca

Director

Africa Management Limited.

18 January 2008

## Schedule 1

(1) Seller	(2) Sale Shares	(3) first tranche shares	(4) option shares	(5) first tranche consideration (US\$)	(6) second tranche consideration (US\$)
Motjoli Resources (Pty) Ltd	20920970	5282117	15638853	8000000	26023051
Nonkqubela Noloyiso Mazwai	5103096	0	5103096	0	8491551.7
Nchakha D Moloi	7786446	0	7786446	0	12956646

g  
Q. M