**AGENDA**

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:30</td>
<td>Welcome and introduction</td>
<td>Mark Dytor</td>
</tr>
<tr>
<td>10:00</td>
<td>Mining solutions: Explosives</td>
<td>Schalk Venter</td>
</tr>
<tr>
<td>11:15</td>
<td>Mining solutions: Mining chemicals</td>
<td>Theunis Botha</td>
</tr>
<tr>
<td>12:15</td>
<td>Lunch</td>
<td></td>
</tr>
<tr>
<td>13:00</td>
<td>Food additives</td>
<td>Dean Murray</td>
</tr>
<tr>
<td>13:45</td>
<td>Water solutions</td>
<td>Louis du Toit</td>
</tr>
<tr>
<td>14:20</td>
<td>Agrochemicals</td>
<td>Edwin Ludick</td>
</tr>
<tr>
<td>15:00</td>
<td>Close</td>
<td>Mark Dytor</td>
</tr>
</tbody>
</table>
12-month rolling average TRIR of 0.49

ALL WORKERS TRIR

Maximum tolerable level
SA mining volumes Jan ’09 – Sep ‘14

Source: Stats SA  
y-o-y = -10.1%
Mining

› SA
  ◦ Strikes – R300m+ impact (Jan. – Aug.), mainly in AEL and Senmin

› Rest of Africa
  ◦ Mining activity in Central Africa robust
  ◦ Gold mining volumes in West Africa under pressure – declining gold price

› Indonesia
  ◦ Low thermal coal prices – closure of smaller Indonesian coal mines and lower coal volumes

› On-going weakness in commodity prices
  ◦ Driving mining houses’ pursuit of cost-effective opportunities value adding solutions from suppliers
Historical price performance – platinum and gold

Source: Bloomberg
Historical price performance – iron ore and coal

Source: Bloomberg
SA manufacturing volumes Jan ’06 – Sep ’14

Base: 2010 = 100

Source: Stats SA

y-o-y = -1,2%
SA manufacturing

› No change
  ◦ Sector growth not tracking GDP growth
  ◦ Energy constraints
  ◦ Weak demand impacts margin and volume growth
  ◦ No significant improvement in exports by customers
  ◦ Customers rationalising and reducing production capacity due to cost competitiveness factors
  ◦ No major investment in SA manufacturing sector
ACQUISITIONS AND PROJECTS

› Clariant water treatment acquisition fully integrated
  ◦ Profit hurdles are being met
› BBRI ANS plant (Indonesia) technically complete and operational
› AEL’s Australian entry progressed
  ◦ MOU signed
  ◦ Explosives bulk emulsion plant has arrived in Bajool
  ◦ On track for trial blasts by year-end
› Transfer of remaining Modderfontein properties to Shanghai Zendai on track for completion in 1Q15
Agreement signed between the Company and the AECI Pension Fund in March ’14

Progress:

Conversion from DB to DC fund offered to all active members – majority have accepted to transfer

Outsourcing of Pension Fund’s obligation in respect of pensioner members to an insurer

FSB Sect 14 application process in progress

Process likely to be completed in 1Q15

Proposed allocated surplus to the Company adequate to extinguish/fund PRMA liability in full

To date more than 50% of pensioners have accepted the Company’s offer to outsource the PRMA liability
› Platinum mines appear to have resumed normal operations
› Normalised Group results (explosives and chemicals) in Sept.
CURRENT GROUP STRUCTURE

Freedom supported by a framework
“Freedom supported by a framework” at the heart of the corporate strategy
STRATEGY

SA-based explosives and specialty chemicals company with regional and international businesses in Africa and SE Asia. Other markets of interest are Australia and Latam

Strategic focus

› Mining solutions (explosives and chemicals)
A VISION FOR AECI

AECI Mining Solutions

- Mining Explosives
- Mining Chemicals
MINING SOLUTIONS: INTERNATIONAL FOOTPRINT

80+ OPERATIONS
24 COUNTRIES
SA-based explosives and specialty chemicals company with regional and international businesses in Africa and SE Asia. Other markets of interest are Australia and Latam

Strategic focus

› Mining solutions (explosives and chemicals)
› Water solutions, agrochemicals and food additives in Africa
AFRICAN FOOTPRINT

Water solutions, agrochemicals, food additives

IN 32 AFRICAN COUNTRIES
GROWTH PILLAR: SPECIALTY CHEMICALS IN SA

SA-based explosives and specialty chemicals company with regional and international businesses in Africa and SE Asia. Other markets of interest are Australia and Latam

Strategic focus

› Mining solutions (explosives and chemicals)
› Water solutions, agrochemicals and food additives in Africa
› A solid portfolio of specialty chemicals businesses in SA
3 JVs

Akulu Marchon
Chemfit
Chemical Initiatives
Resinkem
SANS Technical Fibers

Specialty Minerals SA
Experse Surfactant Technologies
ChemSystems
Crest Chemicals
Industrial Oleochemical Products
GROWTH BY ACQUISITION

SA-based explosives and specialty chemicals company with regional and international businesses in Africa and SE Asia. Other markets of interest are Australia and Latam

Strategic focus

› Mining solutions (explosives and chemicals)
› Water solutions, agrochemicals and food additives in Africa
› A solid portfolio of specialty chemicals businesses in SA
› Pursue acquisitions in markets of interest
1H14 REVENUE SPLIT IN THIS CONTEXT

- 43% Explosives
- 14% Mining chemicals
- 11% Agriculture
- 24% Manufacturing
- 8% Property

MINING SOLUTIONS 57% OF REVENUE
Revenue by mineral mined 1H14

- 20% Coal
- 17% Copper, cobalt, chrome, nickel
- 16% Gold
- 15% Platinum
- 8% Quarry, construction, civil
- 6% Diamond
- 5% Iron ore
- 2% Uranium
- 1% Phosphate
- 10% Other
Revenue by market sector 1H14

- 29% Mining
- 21% Agriculture
- 8% Food and beverage
- 6% Oil and refining
- 6% Chemical industry
- 5% Textiles and leather
- 5% Detergents
- 4% Toiletries, cosmetics and pharmaceuticals
- 4% Paper and packaging
- 3% Plastics and rubber
- 2% Coatings, ink and adhesives
- 1% Steel and metals
- 1% Construction
- 1% Automotive
- 1% Appliances and furniture
- 1% Engineering and foundry
- 2% Various other
- 7% Other

WATER SOLUTIONS 11%
Developer, producer and supplier of commercial explosives, initiating systems and blasting services for mining, quarrying and construction markets

**Our Brand Essence**
Meticulous care

**Our Purpose**
AEL unearths wealth by providing the mining industry with carefully controlled energy

**Our Mission**
At AEL we apply our learning to developing appropriate technology and helping the mining industry use our energy confidently
**Leading international explosives company**

<table>
<thead>
<tr>
<th>Over <strong>80</strong> operations in <strong>23</strong> countries</th>
<th>One of top <strong>4</strong> globally</th>
<th>Market share <strong>leadership</strong> in Africa</th>
<th>Revenue of <strong>US$730m</strong> in ’13</th>
<th>Net assets of <strong>US$360m</strong></th>
</tr>
</thead>
</table>

| **3 823** people internationally | **R&D spend 3%** of revenue |
Excellent innovation and results in opencast, quarrying, massive mining, coal mining, board and pillar, narrow reef, tunnelling, other specialised mining techniques.
Customised blasting solutions for a wide variety of mining sectors

- Platinum
- Gold
- Coal
- Copper
- Diamond
- Iron ore
- Zinc
- Aluminium
- Bornite
- Hematite
- Cobalt
- Malachite
Mineral production value of top mining countries (US$bn, ‘10)

- Australia: 72
- China: 69
- Brazil: 47
- Chile: 31
- Russia: 29
- South Africa: 27
- India: 26
- USA: 23
- Peru: 19
- Canada: 14
- Indonesia: 12
- Ukraine: 9
- Mexico: 8
- Kazakhstan: 7

Source: Global Industry Analysts, The Beijing Axis Analysis
Growth in commodities in the long term
- Mining houses drive for cost control
- Uncertainty in demand patterns
- Quality > Quantity in project pipeline
- M&A activity – already in gold sector
- Increase in resource nationalism globally
- Increase in demand for responsible behaviour
- Role of China as consumer, supplier and funder

GROWTH IN GLOBAL COMMODITY DEMANDS:
’10 – ’30 (%)

Source: ABARES, Deloitte Access Economics
Commissioned by Minerals Council of Australia
Global explosives industry produced around 16m tonnes output worth almost US$17bn in ’12. Asia and USA/Canada the largest markets for explosives, collectively accounting for 73% of global volumes.

> Substantial growth forecast for Asia, specifically Australia, China and Indonesia

Source: Global Industry Analysts, The Beijing Axis Analysis
Orica and Dyno Nobel the largest players, collectively accounting for 40% of global market share. Their market share largely unchanged since ‘05.

GLOBAL MARKET SHARE BREAKDOWN OF LEADING PLAYERS IN THE EXPLOSIVES INDUSTRY

Source: Global Industry Analysts, The Beijing Axis Analysis
AEL’s international strategy: leverage leading position and brand to expand in selected international markets

- Follow a customer
- Organic growth
- Acquisitions

**Leverage strengths of:**
- Safety
- Value proposition
- Innovation capability
- Global sourcing
- R&D capability
- Remote site deployment capability
## Regional Revenue Split

### Rest of Africa
- **Revenue ‘12**: R2,3bn
- **Revenue ‘13**: R2,9bn
- **Revenue ‘14** (forecast growth): 4,2%
- **Revenue ‘15** (forecast growth): 4% – 6%

### South Africa
- **Revenue ‘12**: R3,2bn
- **Revenue ‘13**: R3,6bn
- **Revenue ‘14** (forecast growth): (4,4%)
- **Revenue ‘15** (forecast growth): 20 – 25%

### International
- **Revenue ‘12**: R0,8bn
- **Revenue ‘13**: R0,9bn
- **Revenue ‘14** (forecast growth): (14,6%)
- **Revenue ‘15** (forecast growth): 20 – 25%
<table>
<thead>
<tr>
<th>AEL Core Capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nitrates assets</td>
</tr>
<tr>
<td>Product and application R&amp;D</td>
</tr>
<tr>
<td>Advanced rock on ground services</td>
</tr>
<tr>
<td>Sustainable development</td>
</tr>
<tr>
<td>Explosives products capability</td>
</tr>
<tr>
<td>Global logistics</td>
</tr>
<tr>
<td>Blast expertise and mining optimisation</td>
</tr>
<tr>
<td>Partnership capabilities</td>
</tr>
<tr>
<td>Initiation systems capability</td>
</tr>
<tr>
<td>Remote on-mine plants</td>
</tr>
<tr>
<td>Surface expertise</td>
</tr>
<tr>
<td>Understanding the future of mining and infrastructure</td>
</tr>
<tr>
<td>Initiating systems assets</td>
</tr>
<tr>
<td>Underground massive expertise</td>
</tr>
<tr>
<td>Underground narrow reef expertise</td>
</tr>
<tr>
<td>Strategic positioning as an explosives company</td>
</tr>
</tbody>
</table>
VALUE-ADD MODEL: FORWARD INTEGRATION

AFRICA RSA

RM's
INPUT

OUTPUT
COMMODITIES

BUY IN
AFRICA INDONESIA

INPUT
OUTPUT

ADVANCED ROCK ON
GROUND SERVICES

PARTNERSHIP
CAPABILITIES

INCREASINGLY SERVICE AND PEOPLE INTENSIVE

INCREASED DIFFERENTIATION

VALUE ADD SPACE – HIGHER MARGINS

OPERATIONAL SPACE

COMMODITY SPACE
## Strategy

<table>
<thead>
<tr>
<th>IS profitability</th>
<th>AN/ Explosives</th>
<th>Expansion and growth</th>
<th>Business optimisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stabilise ISAP ✓</td>
<td>Modderfontein</td>
<td>Africa ✓</td>
<td>Enhancement of profit through:</td>
</tr>
<tr>
<td>Powder development ✓</td>
<td>Low cost, reliable ✓</td>
<td>Indonesia ✓</td>
<td>Revenue enhancement</td>
</tr>
<tr>
<td>Close Dets Campus ✓</td>
<td>BBRI Technical and operational complete ✓</td>
<td>RSA ✓</td>
<td>Cost reduction ✓</td>
</tr>
<tr>
<td>Exit capped fuse ✓</td>
<td>AN supply Global supply study ✓</td>
<td>New territories</td>
<td>Global expansion ✓</td>
</tr>
<tr>
<td>Alternative sourcing ✓</td>
<td></td>
<td>Latam</td>
<td>Mineral diversification ✓</td>
</tr>
<tr>
<td>Pricing ✓</td>
<td></td>
<td>Australia ✓</td>
<td>Supply chain and procurement ✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>China</td>
<td>Asset optimisation</td>
</tr>
</tbody>
</table>

- **AN/ Explosives**
  - **Modderfontein**
    - Low cost, reliable ✓
  - **BBRI**
    - Technical and operational complete ✓
  - **AN supply**
    - Global supply study ✓

- **New territories**
  - Latam
  - Australia ✓
  - China

- **Expansion and growth**
  - Africa ✓
  - Indonesia ✓
  - RSA ✓

- **Business optimisation**
  - Enhancement of profit through:
    - Revenue enhancement ✓
    - Cost reduction ✓
    - Global expansion ✓
    - Mineral diversification ✓
  - Supply chain and procurement ✓
  - Asset optimisation
### AEL STRATEGIC JOURNEY FROM '15

<table>
<thead>
<tr>
<th>Strategy</th>
<th>AN/ Explosives</th>
<th>Expansion and growth</th>
<th>Value proposition</th>
</tr>
</thead>
</table>
| **New product introduction** | **Modderfontein**  
Low cost, reliable | Africa  
Indonesia  
SA | Enhancement of profit and customer loyalty through: |
| | **BBRI**  
RONA delivery | **New territories**  
Latam  
Australia  
China | Customer value enhancement |
| | **Leverage global AN global supply chain** | | Downstream cost reduction |
| | | | Mining optimisation and blasting outcomes |
| | | | Customer collaboration/partnership |

- Continued R&D investment
- Product management
- Strategic positioning
- Optimise ISAP range

- **Enhancement of profit and customer loyalty through:**
  - Customer value enhancement
  - Downstream cost reduction
  - Mining optimisation and blasting outcomes
  - Customer collaboration/partnership
AEL secured a 5-year supply contract

- AEL iron ore market share = 35%
Corporate structure changes in the coal market

- AngloAmerican Thermal Coal
- Exxaro
- BHP Billiton
- Sasol
- Xstrata
- Optimum
- Shanduka
- Other

SA COAL MARKET (%)
Coal volume growth – new contracts

› AEL market share gain from 31% to 47%
in ’15

TOTAL EXPLOSIVES VOLUMES (Kt/a)
Portfolio reflects AEL’s growth beyond SA and the narrow reef underground gold and platinum mining sectors, in line with strategy.

AEL needs to diversify further into other territories to become a truly international company.

AEL strategy is to diversify its mineral portfolio with the focus on RSA iron ore and coal.
REST OF AFRICA MARKET SIZE

Source: AEL Internal Analysis
‘13 Exchange 10:1 (ZAR:US$)
REST OF AFRICA: ESTIMATED MARKET GROWTH TO ’17

Estimated market growth: %

AEL ’13 revenue: US$m

- 111
- 58
- 14
- 69
- 157
- 17
- 4,505
- 50
- 9
- 29
- 93
- 18

51
BBRI Plant in Indonesia
INDONESIA

› All contracts awarded in ‘10 have been extended
› 9 emulsion manufacturing plants producing 100ktpa+ of bulk emulsion
› 19 mobile manufacturing units
› 2 underground units
› Support infrastructure for 9 mine sites
› More than 350 employees
› Technical centre of excellence in Sangatta
› 68ktpa ANS plant in Bontang
› Tamtama commissioned Jan ’14
› US$23m investment for 42.6% equity share in BBRI in three phases, completed in Q3 ’14
› AEL safety procedures implemented with no safety incidents to date
› Production commenced in March ’14
› Peak instantaneous run-rate of 87% of capacity already achieved
› Plant focus shifted to continuous improvement with various implementation projects in ’14/5
> 12 000t of ANS delivered to KPC
> ANS successfully converted to explosives using AEL’s standard on-site equipment
> Blasts 100% successful at KPC, blasting more than 45 million BCMs
AEL INDOONESIAN GROWTH/EXPANSION PLAN

Source: AEL internal analysis

Kt/a bulk explosives

- Copper and gold
- Gold
- Coal

Australia is one of the world’s largest producers of ferrous and non-ferrous metals. Bauxite, manganese, iron ore and gold among the prominent minerals.

Source: Global Industry Analysts, The Beijing Axis Analysis
Summary of ammonium nitrate (AN) and ammonia (NH₃) sector analysis

- NH₃ and IGAN markets will be long, resulting in lower prices – will favour AN sourcing over production
- NH₃ and AN prices will be under further pressure by increasing adoption of shale gas in the US, creating large surplus in European markets
- AN plants integrated with NH₃ plants far more competitive than non-integrated plants
- Variation in periods of peak AN demand between regions means it is generally possible to source at competitive rates
AUSTRALIAN MARKET MAKE-UP

Iron Ore
Gold and 1 Iron Ore
Predominantly Coal

Source: AEL internal analysis
Australia’s explosives market was 2.5m tonnes in ’12, representing 4% CAGR for ’04 –’12. Forecast to reach 3.4m tonnes by ’18.

Source: Global Industry Analysts, The Beijing Axis Analysis
> Indonesian hub will underpin expansion
> Existing supply chain for Indonesia expanded to Australia
> Strong relationships with existing Australian customers
> AEL has attracted good Australian mining and explosives expertise with strong experience in the region
> AEL recognised as a technology leader
> In discussions with current and new customers
> Partnership discussions progressing well – MOU signed and supply contracts being drafted
> AECI Australia legal entity registered
Operations

- Department of Natural Resources and Mines in QLD is the main regulator
  - Licences to manufacture, store, import, transport, sell, use etc.
  - Products must be approved
    - UN Test Series 8 a, b, c and d
    - Will be entered on the list of “Approved Explosives”
- Bajool facility will store ±10 000t of AN
  - Requires MHI certification

Recruitment in progress

- General Manager and six staff employed
AUSTRALIAN EXPLOSIVES VOLUME GROWTH POTENTIAL

TOTAL VOLUME (Kt/a)

Source: AEL internal analysis
MINING CHEMICALS
SENMIN
SUPPLY SPECIALTY CHEMICALS TO MINERAL CONCENTRATORS

Mainly for:

- Flotation
- Flocculation
GLOBAL MARKET FOR SPECIALTY CHEMICALS

GLOBAL VALUE (US$ MILLION)

'13
Value: US$2,6bn

- Collectors: 1303
- Frothers: 470
- Flocculants: 196
- Solvent extractants: 499
- Grinding aids: 176

GLOBAL VOLUME (TONNES ‘000)

'13
Volume: 890 000t

- Collectors: 195
- Frothers: 100
- Flocculants: 138
- Solvent extractants: 18
- Grinding aids: 438

Source: Specialty Chemicals Update, IHS Chemical (2013)
## Global Market Growth (US$M)

<table>
<thead>
<tr>
<th>Product</th>
<th>'08</th>
<th>'13</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flocculants</td>
<td>473</td>
<td>499</td>
<td>5</td>
</tr>
<tr>
<td>Collectors</td>
<td>359</td>
<td>470</td>
<td>31</td>
</tr>
<tr>
<td>Frothers</td>
<td>183</td>
<td>196</td>
<td>7</td>
</tr>
<tr>
<td>Solvent extractants</td>
<td>146</td>
<td>176</td>
<td>20</td>
</tr>
<tr>
<td>Grinding aids</td>
<td>961</td>
<td>1303</td>
<td>73</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2122</td>
<td>2643</td>
<td>25</td>
</tr>
</tbody>
</table>

Source: Specialty Chemicals Update, IHS Chemical (2013)
Collectors, frothers, flocculants, depressants, solvent extractants, grinding aids

Senmin = 8% – 10% of global value
SENMIN’S BUSINESS MODEL

› **Value added model**
  ◦ Total chemical reagent package
  ◦ High technical service
  ◦ Capital investment at customer sites

› **Supply chain**
  ◦ Strategic raw material supply and production capability

› **Technology**
  ◦ Acquired and in-house development

› **Market**
  ◦ Target: further growth in Africa
  ◦ Expand into Latam and Australia
<table>
<thead>
<tr>
<th>Plant</th>
<th>Nameplate capacity (t)</th>
<th>Utilisation ‘13 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Feedstock production</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carbon disulphide</td>
<td>20 000</td>
<td>70</td>
</tr>
<tr>
<td>Acrylamide</td>
<td>36 500</td>
<td>55</td>
</tr>
<tr>
<td><strong>Product line production</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Xanthate (formulations)</td>
<td>70 000</td>
<td>80</td>
</tr>
<tr>
<td>Speciality collectors</td>
<td>12 000</td>
<td>50</td>
</tr>
<tr>
<td>Natural/modified polymers</td>
<td>21 600</td>
<td>40</td>
</tr>
<tr>
<td>PAM</td>
<td>20 000</td>
<td>60</td>
</tr>
</tbody>
</table>
## Business Model and Supply Chain

<table>
<thead>
<tr>
<th>Feedstock</th>
<th>World Scale</th>
<th>Technology</th>
<th>Logistics</th>
<th>Full Service Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Manufacture</td>
<td>Multiple Product Lines</td>
<td>Bioconversion</td>
<td>Bulk</td>
<td>Application</td>
</tr>
<tr>
<td>Major SA Suppliers</td>
<td>Product Basket</td>
<td>Continuous Processes</td>
<td>Warehousing</td>
<td>On Site Services</td>
</tr>
<tr>
<td>Import</td>
<td></td>
<td>Automated Control</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*AECI*  
good chemistry
STRENGTH IN AFRICAN MARKETS

› Known brand
  ◦ Operated in SA for 40 years

› Market knowledge
  ◦ Platinum and base metals
  ◦ Copper
  ◦ Nickel
  ◦ Diamonds
  ◦ Uranium

› African producer based in Sasolburg
PRODUCTS

REAGENT SUITE

SENKOL (collectors)
A range of formulated collectors

XANTHATES (collectors)
A range of solid and liquid metal sulphide collectors
REAGENT SUITE

SENFROTH (frothers)
A range of water-soluble and insoluble frothers

SENDEP (depressants)
A range of water-soluble products, such as carboxymethylcellulose, guar gum and other natural polymers for gangue depression
REAGENT SUITE

SENFLOC (frocculants)
A range of polyelectrolyte frocculants and coagulants for improved solids thickening, water recovery, clarity and rheology modification
COST-EFFECTIVE AND FOR AFRICAN MARKET

- Multiple manufacturing lines
- Competitive overhead costs
- Single safety, quality and environmental centre
- Major feedstocks in close proximity
 › Reagents applied at customer sites
 › Agreed KPIs and reporting
 › Quality control, delivery, mixing, ordering and inventory reconciliation, dose optimisation
 › Audits and safety
 › Improvement initiatives
World-class technical team

- Biotechnology
- Polymer chemistry
- Surface chemistry
- Rheology
- Metallurgy
- Engineering
Four main challenges for mining industry
- Availability of fresh water
- Energy costs and availability
- Environmental impact
- Diminishing grades and increased complexity of ores
New molecules

- Complex ores
- Frothers
- Collector formulation
- Polymers
- Biotechnology
Following AEL
## Anticipated Mining Chemicals Growth in Africa

<table>
<thead>
<tr>
<th>Product ('000 tonnes)</th>
<th>’13</th>
<th>’18</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Flocculants</td>
<td>77</td>
<td>98</td>
<td>27</td>
</tr>
<tr>
<td>2. Collectors</td>
<td>87</td>
<td>103</td>
<td>18</td>
</tr>
<tr>
<td>3. Frothers</td>
<td>18</td>
<td>21</td>
<td>17</td>
</tr>
<tr>
<td>4. Natural/modified polymers</td>
<td>45</td>
<td>53</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>227</td>
<td>275</td>
<td>21</td>
</tr>
<tr>
<td>Country</td>
<td>Preproduction</td>
<td>Feasibility</td>
<td>Exploration</td>
</tr>
<tr>
<td>-----------</td>
<td>---------------</td>
<td>-------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Angola</td>
<td>2</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Botswana</td>
<td>2</td>
<td>6</td>
<td>27</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>1</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>DRC</td>
<td>6</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Ghana</td>
<td>1</td>
<td>3</td>
<td>18</td>
</tr>
<tr>
<td>Guinea</td>
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<td>Madagascar</td>
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<td>Mali</td>
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<tr>
<td>Mozambique</td>
<td>5</td>
<td>14</td>
<td></td>
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<tr>
<td>Namibia</td>
<td>5</td>
<td>5</td>
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<td>South Africa</td>
<td>19</td>
<td>56</td>
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<tr>
<td>Tanzania</td>
<td>6</td>
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<td>Zambia</td>
<td>8</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>1</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>12</td>
<td>43</td>
<td>80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>58</strong></td>
<td><strong>165</strong></td>
<td><strong>327</strong></td>
</tr>
</tbody>
</table>

Source: SNL Database, 2014
Latam market: US$154m

Australian market: US$152m

Target market share 20% – 25% by ’16
Following AEL
SENMIN MARKET SHARE: TARGETED GROWTH BY ’18

› Targeting 60% – 70% in Africa
› Targeting 12% – 15% of global value
F&B = 5.8% of SA GDP in ’13 (Stats SA)

BMI projections
- Private household F&B consumption growth = average 3.2% real ’14 – ’22
- Food consumption ’13 – ’17 expected to grow by 40% in rand terms to R569bn

Historical real growth rate of 4%/year in food additives

Growth and opportunities primarily in 3 – 5 LSM range
SA FOOD AND BEVERAGE MARKET OVERVIEW

SA’S FOOD AND BEVERAGE INDUSTRY IN SOUTH AFRICA

- FOOD ADDITIVES (80% IMPORTED)
  - Preservatives; Stabilisers; Coloring; Nutritional Products; Emulsifiers; Saccharides

- FLAVOURS
  - Sweet and Savoury

- PROCESSED FOOD INGREDIENTS
  - Pastes and Powders Market: Milk; HVP; Fruit and Veg; Cheese; Caramel; Spices and Blends
  - Fresh Raw Materials: Fresh Produce

- PROCESSING AIDS

- END-USER FOOD MANUFACTURERS
  - Beverages, Dairy, Meat, Bakery, Confectionery, Culinary

- INTERMEDIATE MANUFACTURERS

- R2,7bn
- R1,5bn
- R250bn
- R71bn
Flavours

› Major share of value potential
› Enhance and create long-lasting flavours – make food attractive and exciting
› Focus: sweet and savoury markets
› Serviced mainly by foreign multinationals
  ◦ But growth in local companies with own IP in past 10 years
› Serving inter alia the growing 3 – 5 LSM range
Processed ingredients

› Lake Foods does not operate here
› Market = R65bn/year (Frost & Sullivan)
› Very different market dynamics
  ◦ Greater external influence – grown/natural raw materials
› Production of pastes and powders: milk, hydrogenated vegetable powder, cheese, caramel, spices, blends
› Also includes fresh fruit and vegetable products processing
 › Develop and execute a sustainable growth strategy
 › Lake Foods is the lead Group company in the food additives strategy
   ◦ Increase revenue from about R400m in ’13 to R1bn by full-year ’17
 › Acquisitions and products development in the existing business key for growth
 › Quality of earnings fundamental
LAKE FOODS: VISION AND STRATEGY

Vision

› To become a major supplier of food ingredients and services to the industrial, retail and food service markets, initially in SA and then to expand into the export market

Strategy

› To focus on expanding the existing product range within the company and aggressively target acquisitions in SA’s food manufacturing sector
› Key to achieving the strategic objectives will be developing a new business model and expanding the structure to support the growth strategy
› Represents international manufacturers and suppliers of specialty ingredients and commodities for the diary, beverage, wine, meat, poultry, bakery, health, nutrition industries
  ◦ Cobito: functional food additives for processed poultry
  ◦ Afoodable: liquid marinades and sauces for the catering and butchery markets
  ◦ Infigro: perlite and related products as a filter aid
LAKE FOODS: VALUE PROPOSITION

- Qualified and highly skilled sales and marketing staff
  - Application laboratory and technical specialists – formulation development and pilot plant application trials
  - Technical expertise for implementation at customer’s manufacturing facility
  - Development of customised blends and Lake brands for chosen market segments
- Exclusive agreements with principals – global leaders, support innovation
- Manufacturing of filter aids and Strong Filtraflo brand
- HACCP manufacturing – dry and liquid products
- Strong logistics platform to support SA strategy
Application

Meat pilot plant:  
- Bowl cutter
- Mincer and filler
- Brine injector
- Clipper for sausage casings
- Smoker and cooker

Bakery pilot plant:  
- Hobart X2
- Kelvinator gas stove and oven
- Prover and oven

Diary:  
- Emulsion application 100ℓ
- Evaporation 20ℓ/hr
- Soft cheese 100ℓ
- Soft serve machine
- Incubator
- Water bath
- Brooksfield viscometer
- Desktop homogeniser
LAKE FOODS: MARKET FOCUS

FOCUS MARKETS

- DAIRY
- PROCESSED MEAT AND SEAFOOD
- BEVERAGES
- INGREDIENTS:
- FRUIT PREPS
- CONFECTIONARY
- SOUPS AND SAUCES

PRODUCT OFFERING

- CULTURES/ENZYMES
- GELATINE/YEAST
- NATURAL COLOURS/TEST SYSTEMS
- PHOSPHATES/EMULSIFIERS
- STABILISER BLENDS
- FILTRATION

NUTRITION

- VITAMIN BLENDS/CREATINE
- N ACETYL L GLUTAMINE
- PROBIOTICS/CLA
- OMEGA 3/STEROL ESTERS

BAKERY

- ENZYMES/PHOSPHATES
- EMULSIFIERS/DATEM
- WHIPPING AGENTS

PARTNERS

- Filtraflo
- Dicalite
- CHR Hansen
- Buddenheim
- Rousselot
- BASF
- JB foods
TOTAL MARKET SPLIT

- 25% Meat
- 23% Dairy
- 21% Poultry
- 10% Health
- 7% Bakery
- 7% Beverage
- 5% Glucose
- 5% Edible oil
LAKE FOODS: BUSINESS MODEL

- Current products and services for industrial food market (B2B)
- Cobito and Afoodable acquisitions added manufacturing dimension
  - Small part of retail food market segment – supply to dealer-owned brands
- Future: products and services for retail food market and food services segments
  (small packs ready for use)
DEVELOPMENT OF THE AECI FOOD BUSINESS

- **Enter major market sectors** (2006)
- **Africa expansion for CAs (Dairy) West Africa; Southern Africa** (2010)
- **Product and technical solution to new market** (2008)
- **Acquire intermediate manufactures with IP: Cobito and Afoodable** (2009)
- **Introduce CAs for meat and bakery sector in Western Africa; Southern Africa** (2012)
- **Lake IP blends to grow solution offering to the market** (2013)
- **Consolidate filtration solutions into the markets and include CAs into beverage market** (2012)
› Outlook for F&B very optimistic

› Lake Foods structure
  ◦ Facilitates strong operational leg to manage key activities
  ◦ Ensures the company complies with legislative standards and practices

› Acquisitions key for delivery of this growth strategy
IMPROCHEM’S HISTORY

1961
Alexander Martin Corporation

1968
anikem

1997
NALCO-CHEMSERVE

2001
ONDEO

2003
100% AECI OWNED

2012
GE

2014
Clariant
### Water and Process Technology Market

**Sub-Sahara** = R15bn

#### Water and Waste Treatment
- **Total R12bn/a**
  - CHEMICALS
  - EQUIPMENT
  - ENGINEERING
  - PUBLIC WATER R2.9bn/a
  - INDUSTRIAL R6.7bn/a
  - PROJECTS

- **15% Market Share**
  - INDUSTRIAL MARKET SHARE

#### Process Chemicals
- **Total R3bn/a**
  - REFINING R200m/a
  - CHEMICAL PROCESS INDUSTRY, GAS TO LIQUID, COAL TO LIQUID R100m/a
  - FUEL ADDITIVES R500m
  - OIL AND GAS R2.2bn

- **Market Share**
  - REFINING 35%
  - CHEMICAL PROCESS INDUSTRY, GAS TO LIQUID, COAL TO LIQUID 15%
  - FUEL ADDITIVES 20%
  - OIL AND GAS <1%
34% Oil and refining
22% Mining
13% Food and beverage
9% Chemical
0% Engineering
2% Potable
5% Steel and metals
14% Other
Sub-Saharan African market overview (% of est. US$730m)

- 24% Corrosion inhibitors
- 10% Scale control
- 34% Coagulants and flocculants
- 11% Biocides and disinfectants
- 5% Chelating agents
- 5% Anti-foams
- 3% pH adjusters and stabilisers
- 8% Other
## WATER TREATMENT SEGMENTATION

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>TREATMENT AND PRODUCT GROUP APPLICATIONS</th>
</tr>
</thead>
</table>
| POWER             | › STEAM GENERATION (BOILER WATER TREATMENT)  
                      › COOLING WATER APPLICATIONS  
                      › WATER PREPARATION AND EFFLUENT MANAGEMENT |
| REFINERIES        | › BOILER WATER AND COOLING WATER APPLICATIONS  
                      › EFFLUENT MANAGEMENT |
| PETROCHEMICALS    | › BOILER WATER AND COOLING WATER APPLICATIONS  
                      › WATER PREPARATION AND EFFLUENT MANAGEMENT |
| LIGHT INDUSTRIES  | › SUGAR REFINING – WATER PREPARATION AND EFFLUENT MANAGEMENT  
                      › BEVERAGE SECTOR – WATER PREPARATION AND EFFLUENT MANAGEMENT AND  
                      › HYGIENE AND SANITATION REQUIREMENTS  
                      › OTHER LIGHT INDUSTRIES – TEXTILE SECTOR |
| WATER PREPARATION | › POTABLE WATER, IN-PROCESS WATER, MEMBRANE TREATED  
                      › WATER TREATMENT AND RECOVERY (PUBLIC AND INDUSTRIAL) |
AFRICAN WATER TREATMENT KEY MARKETS – ESTIMATED

- '14 revenue - public water treatment (US$m)
- '14 industrial water treatment revenue (US$m)
- Real market growth

102, 258, 304, 374, 412

15, 26, 60, 22, 8, 36, 135, 36, 28, 22, 28, 15, 60, 22, 135, 71, 200, 110, 40, 84, 206

4.2%, 4.5%, 3.6%, 3.9%, 2.2%, 4.5%, 4.5%, 4.5%, 3.9%, 3.9%, 3.9%, 3.7%, 3.7%, 4.4%, 4.4%, 4.4%, 4.4%, 4.4%, 4.4%, 4.4%
<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>PRODUCT GROUP</th>
</tr>
</thead>
<tbody>
<tr>
<td>OILFIELD CHEMICALS – PROCESS CHEMICALS</td>
<td>› CORROSION AND SCALE INHIBITORS&lt;br› HYDROGEN INHIBITORS AND BIOCIDES&lt;br› ANTI-FOAMS, EMULSION BREAKERS, PROCESS CLEANERS AND SOLVENTS</td>
</tr>
<tr>
<td>REFINERY PROCESS CHEMICALS</td>
<td>› DEMULSIFIERS, ANTI-FOAMS AND DE-ASHING AGENTS&lt;br› SCALE INHIBITORS AND CORROSION INHIBITORS&lt;br› METAL ACTIVATORS AND FUEL ADDITIVES</td>
</tr>
<tr>
<td>PETROCHEMICALS</td>
<td>› FURNACE AND PROCESS ANTI-FOULANTS, CORROSION INHIBITORS, PROCESS ANTI-FOAMS AND EMULSION BREAKERS</td>
</tr>
</tbody>
</table>
AFRICAN MARKET OVERVIEW: OIL AND GAS

**OIL RESERVES**
130bn barrels

7.7% of world's proven reserves

**PRODUCTION**
10.1% of global

**CONSUMPTION**
4.1% of global

**CONSUMPTION**
50% up in 20 years
20% rest of world

**REFINING CAPACITY**
3.7% of world
2.9% actual

**GAS RESERVES**
507 Tcf

7.6% of world's proven reserves

**LNG EXPORTS**
Nigeria, Angola, Egypt, Equatorial Guinea and Mozambique

14.6% of world's exports

**UNEXPLORED OFFSHORE COULD INCREASE BY**
50%

**INDUSTRY INVESTMENT**
Ghana, Mozambique and Tanzania

$4bn
AFRICAN OIL AND GAS RESERVES

Market ratio for chemical demand
100,000 bbls/d oil well = US$10m/year
200,000 scf/d gas well = US$200k/year

Libya oil reserves

159
12
200
40
200
16
10
13
2
20
0.5
0.5
13
4
77
Work with customers to develop integrated mechanical, operational and chemical solutions for continuous improvement in equipment integrity, process efficiency and product quality, while minimising water usage and waste generation.
PRODUCTS AND SERVICES: COMPREHENSIVE SOLUTIONS

- Desalination
- Municipal
- Utilities
- Measurement solutions
- Process chemicals and separations
- Industrial waste water
- Ingredient water
TECHNOLOGY PARTNERS

- Liquid/solid separation, pollution control, sugar processing
- Refinery and chemical process industries treatment technologies
- Oil and gas exploration and upstream technology

- Fuel additives and performance chemicals

- Specialised cooling products for heavy duty machinery and equipment. Most OEM approvals in place
APPLICATION FOCUS IN AFRICA

**OIL FIELDS**
- Increase throughput
- Asset protection
- Reduce operating costs
- Comply with EH&S regulations

**MEMBRANE SYSTEMS**
- Increase uptime
- Increase membrane life time

**POWER**
- Increase throughput
- Maximise efficiency
- Reduce operating costs
- Comply with EH&S regulations

**MINING**
- Ensure asset protection
- Reduce water consumption
- Meet environmental compliance
- Provide safe workplaces

**HYDROCARBON PROCESSING**
- Create safer, healthier workplaces
- Maximise yield
- Extend critical equipment life
- Reduce energy consumption

**STEEL**
- Maximise yield and uptime/product quality
- Safeguard critical assets
- Drive down production costs
- Improve EH&S requirements

**CHEMICAL PROCESSING**
- Improve productivity, increase uptime
- Protect assets
- Drive out costs and reduce waste
- Comply with safety and regulatory guidelines

**FOOD AND BEVERAGE**
- Reduce energy consumption
- Increase throughput and uptime
- Maintain product quality
- Reduce water consumption

© AECI

*good chemistry*
Targets
- 12% year-on-year revenue growth over next 3 years
- Leading water treatment and process chemical supplier in Africa

Market position
- Significant market share in SA water treatment, petrochemicals process industries and mining water treatment

Strategy
- Improve African footprint
- Enhance position in oil and gas (exploration and production chemicals)
- Total water solutions in Africa
OPPORTUNITIES

› Investigate unqualified markets
  ◦ Fracking – SA
  ◦ Oil and gas exploration – East African coast
  ◦ Oil – Madagascar and Sudan
  ◦ Reverse osmosis treatment strategy
  ◦ Engineered services projects
  ◦ North African market
IMPROCHEM’S REVENUE GROWTH

Normalised for Clariant acquisition

- Clariant
- GE
- IC

<table>
<thead>
<tr>
<th>Year</th>
<th>Clariant</th>
<th>GE</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
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<td></td>
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<tr>
<td>12</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Clariant
Revenue before GE acquisition: **R60m/ year**

![Map of Africa highlighting Improchem locations: Madagascar, Mauritius, Reunion.](image-url)
Revenue after GE acquisition: **R180m/year**

<table>
<thead>
<tr>
<th>Acquisition</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>GE W&amp;PTech SSA</td>
<td>R140m</td>
</tr>
</tbody>
</table>
After Clariant acquisition: **R300m/a**

<table>
<thead>
<tr>
<th>Acquisition</th>
<th>Revenue</th>
</tr>
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<tbody>
<tr>
<td>Clariant BLWT</td>
<td>R600m</td>
</tr>
<tr>
<td>Blendtech JV</td>
<td></td>
</tr>
</tbody>
</table>
CONCLUSION

- Clariant Water Treatment in Africa ✓
- GE Water & Process Tech (SSA) ✓
- GE North Africa
- Mauritian JV – 100% ownership ✓
- African business partner in oil and gas
- Water engineering partner or acquisition
  - Expertise in potable, waste and engineering water treatment
  - Possible infrastructure improvement projects
› Water is a key resource for economic growth
› Water scarcity is a global concern
› NGO investment – access to water for all in Africa
› Extensive oil and gas exploration and production
   ◦ Strong technology via GE
   ◦ Africa will need final fuel additives

› ImproChem ideally placed
   ◦ Excellent footprint in Africa
   ◦ World-class technology partners
AECI AGROCHEMICALS STRATEGY
Leading agrochemical solution provider of choice

Supplier of proprietary and third-party products

Owner of a substantial national footprint for agrochemical distribution

Backed by production, R&D, technical and logistical capabilities
A fully integrated solution across the supply chain

<table>
<thead>
<tr>
<th>Product development</th>
<th>Product registrations</th>
<th>Technical advisory</th>
<th>Sales and support</th>
<th>Principals</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 R&amp;D</td>
<td>96 plant health</td>
<td>7 agronomists</td>
<td>28 sales support</td>
<td>Longstanding relationships with key multinationals</td>
</tr>
<tr>
<td>10 field officers</td>
<td>162 plant protection</td>
<td>7 technical advisors</td>
<td>175 sales agents</td>
<td></td>
</tr>
<tr>
<td>2 regulatory</td>
<td></td>
<td></td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Production</th>
<th>ERP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lilianton 10ml/year Modderfontein 60ml/year Umbog 14 000t/year</td>
<td>Customised web-based management system</td>
</tr>
</tbody>
</table>

PRODUCT AND SERVICE OFFERING
CURRENT AFRICAN AGROCHEMICALS MARKET: R15BN – R20BN

33% South Africa
10% Ghana
10% Morocco
8% Ivory Coast
8% Kenya
8% Egypt
5% Nigeria
4% Cameroon
4% Tunisia
4% Algeria
3% Zambia
2% Malawi
1% Zimbabwe

Source: Nulandis/Frost & Sullivan
SA AGROCHEMICALS MARKET

PLANT HEALTH (%)

R12bn

PLANT PROTECTION (%)

R5bn

Source: Nulandis/Croplife SA
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Kenya</th>
<th>Zambia</th>
<th>Ghana</th>
<th>Nigeria</th>
<th>Tanzania</th>
<th>SA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (million)</td>
<td>44</td>
<td>15</td>
<td>26</td>
<td>175</td>
<td>49</td>
<td>53</td>
</tr>
<tr>
<td>GDP ’13 (US$bn)</td>
<td>44.3</td>
<td>27.0</td>
<td>47.2</td>
<td>515.8</td>
<td>31.6</td>
<td>351.0</td>
</tr>
<tr>
<td>GDP growth ’14 – ’17 (%)</td>
<td>5.7</td>
<td>7.1</td>
<td>6.9</td>
<td>6.5</td>
<td>7.1</td>
<td>3.8</td>
</tr>
<tr>
<td>GDP/capita (US$)</td>
<td>1,000</td>
<td>1,800</td>
<td>1,815</td>
<td>2,947</td>
<td>645</td>
<td>6,623</td>
</tr>
<tr>
<td>Agriculture (US$bn)</td>
<td>13.0</td>
<td>3.0</td>
<td>10.4</td>
<td>113.5</td>
<td>8.7</td>
<td>8.4</td>
</tr>
<tr>
<td>Agri growth ’14 – ’17 (%)</td>
<td>4.3</td>
<td>4.8</td>
<td>2.3</td>
<td>2.8</td>
<td>4.8</td>
<td>2.8</td>
</tr>
<tr>
<td>Agri land (million ha)</td>
<td>27.4</td>
<td>23.4</td>
<td>15.5</td>
<td>74.5</td>
<td>35.5</td>
<td>99.2</td>
</tr>
<tr>
<td>Arable land (million ha)</td>
<td>5.4</td>
<td>3.3</td>
<td>4.4</td>
<td>34.0</td>
<td>10.0</td>
<td>14.4</td>
</tr>
<tr>
<td>Cereal land (million ha)</td>
<td>2.7</td>
<td>1.2</td>
<td>1.6</td>
<td>16.6</td>
<td>1.4</td>
<td>3.2</td>
</tr>
<tr>
<td>Cereal yield (t/ha)</td>
<td>1.7</td>
<td>2.7</td>
<td>1.8</td>
<td>1.4</td>
<td>1.3</td>
<td>3.7</td>
</tr>
<tr>
<td>Agrochem mkt (US$m)</td>
<td>112</td>
<td>23</td>
<td>150</td>
<td>225</td>
<td>23</td>
<td>500</td>
</tr>
<tr>
<td>NPK fertilizers (kg/ha)</td>
<td>28.9</td>
<td>26.9</td>
<td>12.5</td>
<td>1.9</td>
<td>7.5</td>
<td>46.2</td>
</tr>
<tr>
<td>Inflation ’13 (%)</td>
<td>5.7</td>
<td>7.0</td>
<td>11.7</td>
<td>8.5</td>
<td>7.9</td>
<td>5.8</td>
</tr>
<tr>
<td>Corporate tax (%)</td>
<td>30</td>
<td>35</td>
<td>25</td>
<td>30</td>
<td>30</td>
<td>28</td>
</tr>
<tr>
<td>Dividend tax (%)</td>
<td>10</td>
<td>15</td>
<td>8</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

BACK-INTEGRATED/UPSTREAM STRATEGIC FOCUS

FORWARD INTEGRATED/DOWNSSTREAM STRATEGIC THRUST

NATIONAL FOOTPRINT

COMPLEMENTING THE ESTABLISHED NATIONAL FOOTPRINT
(“PLUGGING THE GAPS”)

TARGETED INTERNATIONAL FOOTPRINT

SUB-SAHARAN AFRICAN FOOTPRINT
SOUTHERN, CENTRAL & EASTERN HUBS
BRAZILIAN FOOTPRINT
### Plant Protection Market Share and Access

**Nulandis agents**

<table>
<thead>
<tr>
<th>Region</th>
<th>No. of agents</th>
<th>Est. market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limpopo/ Mpumalanga/ Lowveld</td>
<td>29</td>
<td>15%</td>
</tr>
<tr>
<td>Boland</td>
<td>22</td>
<td>28%</td>
</tr>
<tr>
<td>Swartland</td>
<td>11</td>
<td>23%</td>
</tr>
<tr>
<td>Breerivier</td>
<td>20</td>
<td>36%</td>
</tr>
<tr>
<td>Eastern Free State</td>
<td>34</td>
<td>30%</td>
</tr>
<tr>
<td>Western Free State</td>
<td>31</td>
<td>25%</td>
</tr>
<tr>
<td>Eastern Cape</td>
<td>9</td>
<td>35%</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>19</td>
<td>20%</td>
</tr>
</tbody>
</table>

**Total** 175 28%

Target market share: 30% to 35%
### Important Market Sub-Segments

<table>
<thead>
<tr>
<th></th>
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<tr>
<td>Acquistion, Technology or Registrations</td>
<td>✔️</td>
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<tr>
<td>30% Proprietary Activities</td>
<td>✔️</td>
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<tr>
<td>Third Party Partners</td>
<td>✔️</td>
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<td>Horizon</td>
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<td>✔️</td>
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**Activities 2014 – 2017**
### Underdeveloped market in Africa

<table>
<thead>
<tr>
<th>Growth prospects</th>
<th>Small holder markets</th>
<th>Portfolio diversification</th>
<th>Supplier collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food scarcity and increased need for variety</td>
<td>Spray programmes geared for African market</td>
<td>Emerging markets</td>
<td>Leverage current relationships with principals</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>40 years Own R&amp;D, Technical and production with small packs</th>
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<tr>
<th>Sustainable agriculture</th>
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<tbody>
<tr>
<td>Apply experience with holistic farming approach in Africa</td>
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<thead>
<tr>
<th>African chemicals footprint</th>
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<tbody>
<tr>
<td>Leverage mining and water business experience</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Crop yield</th>
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<tbody>
<tr>
<td>Inefficient output per hectare of land available</td>
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</tbody>
</table>
NULANDIS: HISTORY AND REVENUE GROWTH

Indexed 2001 = 100

2001
BASE REVENUE = 100
› UPSTREAM
FOCUS ONLY

2005
BASE REVENUE = 300
› DOWNSTREAM
ACQUISITION
› 75 AGENTS

2011
BASE REVENUE = 600
› DOWNSTREAM
ACQUISITION
› 146 AGENTS

2014
BASE REVENUE = 1 200
› STEP UP IN
ORGANIC GROWTH
› LEVERAGING
ACQUISITIONS
› 175 AGENTS

Indexed 2001 = 100
REVENUE GROWTH STRATEGY ’14 – ’17

2014
BASE REVENUE = 1 200

ORGANIC GROWTH

ACQUISITIONS IN AFRICA

2017
BASE REVENUE = 2 500

› STEP UP IN ORGANIC GROWTH
› LEVERAGING ACQUISITIONS
PLANT PROTECTION SUB-SEGMENTS DEFINITIONS

› **Herbicides** – products containing active ingredients that are taken up by weeds selectively, killing them off.

› **Insecticides** – products containing an active ingredient designed to control selected insects.

› **Fungicides** – products containing an active ingredient and are applied to plant leaves either before fungal infection (preventative) or once fungal infection has taken place (curative).

› **Mating disruption** – products that disrupt the mating process of insects as the male insects become disorientated as a result of the orchards being saturated with female pheromones. These products are more eco-friendly.

› **Adjuvants** – these products do not contain an active ingredient. They are composed of combinations of surfactants which enhance the activity and efficacy of agrochemicals.
› **Growth regulators** – these are plant hormones, or synthetic chemicals, that are applied to plants to influence their hormonal processes. This is not a GMO practice.

› **Nematicides** – nematodes are tiny worm-like parasites present in the soil. They attack the root system of the plant. Nematicides contain an active ingredient and are applied to the soil to control the nematodes.

› **Foliar nutrition** – products containing various nutritional elements, designed to be sprayed onto and taken up by the leaves of plants, rather than the root system.

› **Biostimulants** – products that boost the plant’s immune system and assist in overcoming stress factors and infections.

› **Fertilizer** – nutritional products that are applied to the soil and taken up by the roots of the plant.

› **Fertigation** – nutritional products that are applied through irrigation systems to the growth medium or soil and then taken up by the roots of plants.
## PROGRESS REPORT: DELIVERABLES (PER FEBRUARY ’14)

<table>
<thead>
<tr>
<th>Achieved</th>
<th>Good progress</th>
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<p>| Expand AECI’s geographical footprint in Africa and in Australia and Latam |
| Drive the Group’s holistic approach to its mining solutions strategy |
| Ramp up BBRI AN plant to capacity |
| Maintain focus on improving AEL’s performance to achieve &gt;10% operating margin in ’15 |
| Continue to pursue strategic acquisitions |
| Finalise the Shanghai Zendai transaction |
| Finalise discussions with AECI Pension Fund regarding conversion of defined-benefit to defined-contribution fund |</p>
<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Financial year-end</td>
<td>31 December ’14</td>
</tr>
<tr>
<td>’14 results released and J HB presentation</td>
<td>24 February ’15</td>
</tr>
<tr>
<td>CT presentation</td>
<td>25 February ’15</td>
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THANK YOU