

"SF 6"



Corporate and Investment Banking

<b>ACCEPTANCE OF GUARANTEE</b>	
ACCEPTED THE TERMS AND CONDITION HEREIN SET OUT AND CERTIFIED <i>CORRECT</i>	
BY:	_____
DATE:	_____
	_____ AUTHORISED SIGNATURE

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Absa Towers North  
Johannesburg  
South Africa

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Tegeta Exploration and Resources Proprietary Limited  
PLEASE SUPPLY ADDRESS

PERFORMANCE GUARANTEE: SIMULATION

Dear Messrs

1. You have entered into a written contract with Eskom Holdings SOC Limited, Registration Number 2002/015527/30 (the "Applicant") on PLEASE SUPPLY DATE OF CONTRACT for coal supply ('the Contract') in terms of which the Applicant is required to furnish the Beneficiary with a performance guarantee for the maximum amount of R1,680,000,000.00 (One Billion Six Hundred and Eighty Million Rand) (the "Guaranteed Amount").
2. We, Absa Bank Limited, Registration Number 1986/004794/06, of Absa Towers North, 180 Commissioner Street, Johannesburg, 2001 (the "Bank"), hereby guarantees the payment to the Beneficiary on the Beneficiary's written demand of the Guaranteed Amount in the event that the Applicant fails to fulfil any of its obligations under the Contract and provided that the following conditions precedent have been fulfilled and the Applicant has not made payment:
  - 2.1 all approvals and consents under the Mineral and Petroleum Resources Development Act, No. 28 of 2002 ("MPRDA") required for the Share Transfer, including but not limited to section 11 approval, has been obtained by the parties;
  - 2.2 all agreements and transactions contemplated in this Agreement (to the extent necessary) have been unconditionally approved by the competition authorities in terms of the Competition Act, No 89 of 1998;
  - 2.3 the company secretary of Optimum Coal Mine Proprietary Limited (in business rescue), Registration Number 2007/005308/07 (OCM) has delivered a confirmation notice to the Applicant confirming that pursuant to the Share Transfer, the shares in OCM has been transferred to Tegeta and Tegeta is registered as such in the register of members of OCM;
  - 2.4 to the extent required, the Applicant has obtained required approvals in terms of the Public Finance Management Act, 1999; and
  - 2.5 the legal advisors of the Applicant has issued a confirmation letter that the conditions precedent set out in this Agreement have been fulfilled.
3. All demands must be signed by authorised signatories whose signatures needs to be confirmed by your bankers or authenticated SWIFT



PERFORMANCE GUARANTEE

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Guarantee Number: SIMULATION

4. The Bank's liability under this guarantee ("Guarantee") is principal in nature and is not subject to any agreement. The Bank's liability shall not be reduced, or in any way be affected by any alteration of the terms of the Contract or any other arrangements between the Applicant and Beneficiary, whether oral or in writing.
5. The Bank will pay on written demand and will not determine the validity of the demand or become party to any claim or dispute of any nature which any party may allege.
6. This Guarantee shall expire at the abovementioned office of the Bank on 31 March 2016 (the "Expiry Date") and any claim and statement received hereunder must be received at this office on or before the Expiry Date. After the Expiry Date this Guarantee shall expire, whether returned to the Bank for cancellation or not and any claim or statement received after the Expiry Date shall be ineffective, irrespective of when such claims first arose.
7. This Guarantee is neither negotiable nor transferable and is restricted to the payment of a sum of money only and limited to the Guaranteed Amount.
8. With each payment by the Bank under this Guarantee, the Bank's liability shall be reduced *pro rata*.
9. This Guarantee shall be governed by and construed in accordance with the laws of the Republic of South Africa and shall be subject to the jurisdiction of the South African courts.
10. The Bank accepts that the Beneficiary's address reflected above is the Beneficiary's *domicilium citandi et executandi* for all purposes in connection with this Guarantee.
11. The Applicant shall be responsible for all costs in respect of this Guarantee

Signed at Johannesburg on the 12<sup>th</sup> day of December 2015

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For and on behalf of Absa Bank Limited.  
Anna Henery  
BGI Centre Manager

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For and on behalf of Absa Bank Limited  
Almarie Boshoff  
BGI Team Leader