

Audit and risk committee's report

The Corporate Laws Amendment Act, No. 24 of 2006 ("CLAA") came into effect in December 2007. In compliance with the CLAA, an audit and risk committee ("the committee") was formally appointed by the Board of directors.

The committee comprises Messrs MJ Leeming (chairman), RMW Dunne and LM Nyhonyha, all of whom are non-executive directors and who act independently. The definition set out in Section 269 of the CLAA was used to test the independence of each member of the audit and risk committee.

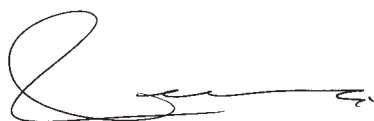
In the financial year ended 31 December 2008, and in addition to the duties set out in the committee's terms of reference, a summary of which is provided on pages 35 and 36 of this annual report, the committee carried out its functions as follows:

- nominated the appointment of KPMG Inc. ("KPMG") as the registered independent auditor after satisfying itself, through enquiry, that KPMG is independent as defined in terms of the CLAA;
- determined the fees to be paid to KPMG and its terms of engagement;
- ensured that the appointment of KPMG complied with the CLAA and any other legislation relating to the appointment of auditors;
- approved a non-audit services policy which determines the nature and extent of any non-audit services which KPMG is permitted to perform;
- considered and approved, in terms of the non-audit services policy, assignments in terms of which KPMG performed non-audit services on behalf of the Company;
- considered that KPMG is registered on the JSE Register of Auditors; and
- considered and approved an internal audit charter.

The committee has considered and satisfied itself of the appropriateness of the experience and expertise of the financial director.

Furthermore, the committee has satisfied itself, through enquiry, that KPMG and Mr N van Niekerk, the designated auditor, are independent of the Company.

The committee recommended the financial statements for the year ended 31 December 2008, for approval, to the Board. The Board has subsequently approved the financial statements which will be open for discussion at the forthcoming annual general meeting.



Mike Leeming
Chairman
Audit and risk committee
Woodmead, Sandton

31 March 2009