

Persons who emigrate from South Africa are entitled to take limited amounts of money out of allowed South African assets. Funds of an emigrant's funds will be blocked and held under the control of an authorized dealer. These blocked funds may only be invested in:

- blocked current, savings, interest bearing deposit accounts in the books of an authorized dealer in the bank the second financial instruments listed on the Bond Exchange of South Africa which are deposited not released except temporarily for switching purposes, without the approval of SARB.
- Authorized dealers must at all times be able to demonstrate that listed or quoted securities or financial instruments which are dematerialized or immobilized in a central securities depository are being held subject to the control of the authorized dealer

On the investments referred to above, blocked Rands may only be utilized for very limited purposes. Dividends out of income earned prior to emigration remain subject to the blocking procedure. It is not possible to predict when existing exchange controls will be abolished or whether they will be continued or modified by the South African Government in the future.

Sale of Shares Present exchange control regulations in South Africa, our ordinary shares and ADSs are the same as those for non-residents of the Common Monetary Area. In addition, the proceeds from the sale of ordinary shares on the JSE on behalf of shareholders who are not residents of the Common Monetary Area are freely remittable to such shareholders. Share certificates held by non-residents will be endorsed with the words "non-resident," unless dematerialized.

Dividends declared in respect of shares held by a non-resident in a company whose shares are dematerialized on the JSE are freely

entitled to receive cash dividends payable in respect of the shares underlying the ADSs, subject to the terms of the deposit agreement entered on August 12, 1996, and as amended and restated, between the Company and The Bank of New York, as the depository.

Subject to exceptions provided in the deposit agreement, cash dividends paid in Rand will be converted by the depository to Dollars and paid by the depository to holders of ADSs, net of conversion expenses of the depository, in accordance with the deposit agreement. The depository will charge holders of ADSs, to the extent applicable, taxes and other governmental charges and specifies fees and other expenses imposed by South African law or by our Articles on the right of holders of our ordinary shares to

Voting rights
10E. TAXATION

Material Income Tax Consequences

The following is a summary of the material income tax considerations under South African and law. No representation is made with respect to the consequences to any particular purchaser of our securities is made hereby. Prospective purchasers are urged to consult their own tax advisers with respect to their particular circumstances and the effect of US national, state or local tax laws to which they may be subject.

South Africa South Africa imposes tax on worldwide income of South African residents. Generally, South pay tax on income received in the following circumstances:

Non-residents will pay income tax on any amounts received by or accrued to them from a within South Africa (interest earned by a non-resident on a debt instrument issued by a South African company will be regarded as being derived from a South African source but will be regarded as exempt from taxation in terms of Section 10(1)(hA) of the South African Income Tax Act 58 of 1962 (as amended) if the income is derived from a business carried on in South Africa as a resident of the Common Monetary Area, in other words, Lesotho, Namibia and Swaziland. Non-resident shall be deemed to be a resident of South Africa;

- the interest is effectively connected with a business carried on by the non-resident in South Africa;
- the interest is of the interest is a natural person, unless they were absent from South Africa for the year of assessment in which the interest was received or accrued.

No withholding tax is deductible in respect of interest payments made to non-resident investors.

No income tax is payable on dividends paid to residents or non-residents, in terms of Act exemption basis for the dividends received by or accrued to residents of South Africa. Accordingly, there is no withholding tax on dividends received by or accrued to non-resident shareholders of companies listed in South Africa and non-residents will receive the same dividend as South African resident shareholders. Prior to payment of the dividend, the Company pays Secondary Tax on Companies at a rate of 10% (before October 1, 2007 12.5%) of the excess of dividends declared over dividends received in a dividend year. The dividend declared is paid to shareholders of the Company not subject to capital gains tax, or CGT, in South Africa. They gains arising from the disposal of capital assets if the assets disposed of consist of:

Capital Gains Tax

- immovable property owned by the non-residents situated in South Africa, or any interest or right in or over immovable property; or
- any other asset which will have an interest in immovable property if it has a direct or indirect shareholding of at least 20% in a company, where 80% or more of the net assets of that company (determined on a market value basis) is a permanent establishment of a non-resident in South Africa through which a trade is carried on, directly or indirectly to immovable property; or

If the non-residents are not subject to CGT because the assets disposed of do not fall within the categories listed above, they may not claim the capital losses arising from the disposal of the assets.

Taxation of dividends

South Africa imposes a corporate tax known as Secondary Tax on Companies, or STC, on the form of dividend and earnings in the STC tax rate is equal to 10% (before October 1, 2007 12.5%).

In 1993, all existing gold mining companies had the option to elect to be exempt from STC. higher tax rates would apply to both mining and non-mining income. In fiscal 2007, the tax rates for taxable mining and non-mining income, for companies that elected the STC exemption were 45% (2006:45% and 2005: 46%) and 37% (2006: 37% and 2005: 38%), respectively. During those same years the tax rates for companies that did not elect the STC exemption were 35% (2006: 35% and 2005: 37%) and 29% (2006: 29% and 2005: 30%), respectively. In 1993, the Company elected not to be exempt from STC, as this would have meant that the Company would have been liable for normal taxation at the higher rates of 45% for mining income and 37% for non-mining income. South Africa does not impose any withholding tax or any other form of tax on dividends paid to shareholders of companies. However, the Company has elected to impose a withholding tax on dividends paid to a US holder of shares. The tax is subject to a 35% rate for US holders and 29% for non-mining income. However, with the exception of dividends paid to US holders of shares, the United States and South Africa would limit the rate of this tax to 5% of the gross amount of the dividends in all other cases. The above provisions shall not apply if the beneficial owner of the dividends is resident in the US, carries on business in South Africa through a permanent establishment situated in South Africa, or performs in South Africa independent personal services from a fixed base situated in South Africa, and the dividends are attributable to such permanent establishment or fixed base.

United States

Material United States Federal Income Tax Consequences

The following is a summary of material US federal income tax consequences to US holders (as purchasers, owners, transferees and disposition of ordinary shares or ADSs. It deals only with US holders who hold ordinary shares or ADSs as capital assets for US federal income tax purposes. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended, or the Code, published rulings, judicial decisions and the Treasury regulations, all as currently in effect and all of which are subject to change, possibly with retroactive effect. This discussion has no binding effect or effect on the IRS, and it does not constitute an offer of tax advice. It does not address special classes of US holders subject to special estate, gift, generation-skipping, or other tax consequences, such as those described below, which would be sustained by a court if challenged by the IRS. For other pass-through entities, financial institutions, life insurance companies, banks, tax-exempt organizations, certain expatriates or former long-term residents of the United States, persons holding ordinary shares or ADSs as part of a "hedge," "conversion transaction," "synthetic security," "straddle," "constructive sale" or other integrated investment, persons whose functional currency is not the US dollar, or US holders of ADSs that actually or constructively own ten percent or more of our voting stock). This discussion addresses only US federal income tax consequences and does not address the effect of any state, local, or foreign tax consequences. It is organized under the laws of the US or any political subdivision thereof an estate, the income of which is subject to US federal income tax without regard to its source; a trust, if a court within the US is able to exercise primary supervision over the administration of the trust and if the trust has made a valid election to be treated as a US person.

If a partnership holds any ordinary shares or ADSs, the tax treatment of a partner will depend on the nature of the partnership. Partners of partnerships holding any notes, ordinary shares or ADSs are urged to consult their tax advisors.

Because individual circumstances may differ, US holders of ordinary shares or ADSs are urged to consult their tax advisors for the US federal income tax consequences applicable to their particular situations as well as any consequences to them arising under the tax laws of any foreign, state or local taxing jurisdiction.

Ownership of Ordinary Shares or ADSs

For purposes of the Code, a US holder of ADSs will be treated for US federal income tax purposes as the owner of the ordinary shares represented by those ADSs. Exchanges of ordinary shares for ADSs and ADSs for ordinary shares generally will not be subject to US federal income tax.

For US federal income tax purposes, distributions with respect to the ordinary shares or ADSs, whether in the form of a distribution of stock that are treated as exchanges, will be taxed to US holders as ordinary dividend income to the extent that the distributions do not exceed our current and accumulated earnings and profits. For US federal income tax purposes, the amount of any distribution received by a US holder will equal the Dollar value of the sum of the South African Rand payments made (including the amount of South African income taxes, if any, withheld with respect to such payments), determined at the "spot rate" on the date the dividend distribution is includable in such US holder's income, regardless of whether the payment is in fact converted into Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date a US holder includes the dividend payment in income to the date such holder converts the payment into Dollars will be treated as ordinary income or loss. Distributions, if any, in excess of our current and accumulated earnings and profits will constitute a non-taxable return of capital and will be applied against and reduce the holder's basis in the ordinary shares or ADSs. To the extent that these distributions exceed the US holder's tax basis in the ordinary shares or ADSs, as applicable, the excess generally will be treated as capital gain, subject to the discussion below under the heading "Passive Foreign Investment Company." We do not intend to calculate our earnings or profits for US federal income tax purposes.

Under the recently enacted Jobs and Growth Tax Relief Reconciliation Act of 2003, the rate on dividends paid to US holders through 2008 is reduced to 15%. This reduced rate generally would apply to dividends paid by us if, at the time such dividends are paid, either (i) we are eligible for benefits under a qualifying income tax treaty with the US or (ii) our ordinary shares or ADSs with respect to which such dividends were paid are readily tradable on an established securities market in the US. However, this reduced rate is subject to certain important requirements and exceptions, including, without limitation, certain holding period requirements and an exception applicable if we are treated as a passive foreign investor. In this provision, the "spot rate" generally means a rate that reflects a fair value for the ordinary shares or ADSs in a free market and involving representative buyers and sellers of the securities in question. A spot contract is a contract entered into by the US company on or before two business days following the date of the execution of the contract with respect to the dividend payment. The US Internal Revenue Service has the authority to adjust the spot rate. Limitations on the income tax purposes of losses and, therefore, generally may not be offset by passive activity losses, and as "investment income" for purposes of the limitation on the deduction of investment interest expense. Such dividends will not be eligible for the dividends received deduction generally allowed to a US corporation under Section 243 of the Code. Dividend income will be treated as foreign source income for foreign tax credit and other purposes. In computing the source of the dividend income - South Africa" above, South Africa currently does not impose distributions on dividends paid to the ordinary shares or ADSs. Should South Africa decide in the future to impose a withholding tax on distributions, the tax treaty between the United States and South Africa would limit the rate of this tax to 5 percent of the gross amount of the distributions if a US holder holds directly at least 10 percent of our voting stock and to 15 percent of the gross amount of the distributions in all other cases. In addition, if South Africa decided in the future to impose a withholding tax on distributions with respect to the ordinary shares or ADSs, a determination would need to be made at such time as to whether any South African income taxes withheld would be treated as foreign income taxes eligible for credit against such US holder's US federal income tax liability, subject to limitations and conditions generally applicable under the Code. Any such taxes may be eligible at the election of such US holder, for deduction in computing such US holder's taxable income. The limitation on foreign taxes eligible for credit is calculated separately with respect to each disposition of ordinary shares or ADSs for US holder. In the event that the US dollar value of the amount realized on the sale or disposition of ordinary shares or ADSs is less than the US dollar value of the amount realized on the sale or disposition of ordinary shares or ADSs, the availability of deductions is complex and involves the application of the "passive foreign investor" test. US holders are urged to consult their own tax advisors regarding the availability of these deductions. Dividends will be capital gain or loss and will be long-term capital gain or loss if the US holder is a resident of South Africa for income tax purposes, if any, withheld. Dividends on ordinary shares or ADSs for more than one year. The deductibility of capital losses is subject to the US dollar value of the dividend payment. The US dollar value of the dividend payment is determined on the spot rate as determined on the settlement date of the dividend payment. A US holder who receives dividends in US dollars and converts Rand into US Dollars at a conversion rate other than the rate in effect on the settlement date may have a foreign currency gain or loss for US federal income tax purposes because of the differences between the US dollar value of the currency received prevailing on the trade date and the settlement date. Any such currency gain or loss will be treated as ordinary income or loss and would be in addition to gain or loss, if any, recognized by such US holder on the disposition of such ordinary shares or ADSs.

A special and adverse set of US federal income tax rules apply to a US holder that holds investment in a passive foreign corporation. A corporation would be a PFIC for US federal income tax purposes if for any taxable year either (i) 75% or more of our gross income, including our pro rata share of the gross income of any company in which we are considered to own 25% or more of the shares by value, were passive income or (ii) 50% or more of our average total assets (by value), including our pro rata share of the assets of any company in which we are considered to own 25% or more of the shares by value, were assets that produced or were held for the production of passive income. If we were a PFIC, US holders of the ordinary shares or ADSs would be subject to special rules with respect to (i) any gain recognized upon the disposition of the ordinary shares or ADSs and (ii) any excess distribution will be allocated ratably over a US holder's holding period. In addition, if a US holder receives distributions to a US holder during a single taxable year that exceed the amount of the ordinary shares or ADSs as to which the US holder is entitled to a tax credit, the excess distribution will be taxable in the taxable year in which a US holder realizes the gain or excess amount. If a US holder receives distributions received by such US holder during the three preceding taxable years in respect of the ordinary shares or ADSs, such distributions will be taxed at the ADSs received in such preceding taxable years (the "look-through" rule). Under these rules, the interest charge generally applicable to underpayments of tax will be imposed in respect of the tax attributable to each

Although we generally will be treated as a PFIC as to any US holder if we are a PFIC for any taxable year, and if a US holder may avoid PFIC classification for subsequent years if such holder elects to recognize gain based on the unrealized appreciation in the ordinary shares or ADSs through the close of the year in which we cease to be a PFIC. Additionally, if we are a PFIC, a US holder who acquires ordinary shares or ADSs from a decedent would be denied the normally available step-up in tax basis for such notes, ordinary shares or ADSs in the year in which the decedent dies. A US holder who owns stock in a PFIC must file Form 8621 (Return by a shareholder of a passive foreign investment company) with the Internal Revenue Service for each tax year in which the holder is a shareholder of the PFIC. This form describes any distributions received with respect to such stock and any gain realized upon the disposition of such stock. A US holder of the ordinary shares or ADSs that are treated as "marketable stock" under the special tax and interest charge described above by making a mark-to-market election. Pursuant to this election, the US holder would include in ordinary income or loss for each taxable year an amount equal to the difference as of the close of the taxable year between the fair market value of the ordinary shares or ADSs and the US holder's adjusted tax basis in such ordinary shares or ADSs. Losses would be allowed only to the extent of net mark-to-market gain previously included by the US holder under the election for prior taxable years. If a mark-to-market election with respect to ordinary shares or ADSs is in effect on the date of a US holder's death, the tax basis of the ordinary shares or ADSs in the hands of a holder who is a decedent will be the fair market value of the ordinary shares or ADSs at the date of the decedent's death. The rules described above will not apply if such holder makes an election to treat the US assets as a qualified electing small business corporation (QESBC) for the taxable year in which the US holder makes the election and for each subsequent taxable year in which the US holder owns the ordinary shares or ADSs and if we comply with the reporting requirements for the ordinary shares or ADSs. However, we do not intend to make the election for the ordinary shares or ADSs. We were not a PFIC for our 2007 fiscal year ended June 30, 2007. However, we cannot assure you that we will not become a PFIC in any taxable year. The application of the PFIC rules is highly technical and it is difficult to make accurate predictions of future income and assets, which are relevant to this determination. In addition, certain factors in the PFIC determination, such as reductions in the market value of our capital stock, are not within our control and can cause us to become a PFIC. Accordingly, there can be no assurance that we will not become a PFIC.

Rules relating to a PFIC are very complex. US holders are urged to consult their own tax advisors regarding the application of PFIC rules to their investments in our ordinary shares or ADSs.