

SASOL
reaching new frontiers

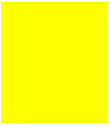


Sasol Coal-to-Liquids



Marinus Niemand
Sasol Synfuels

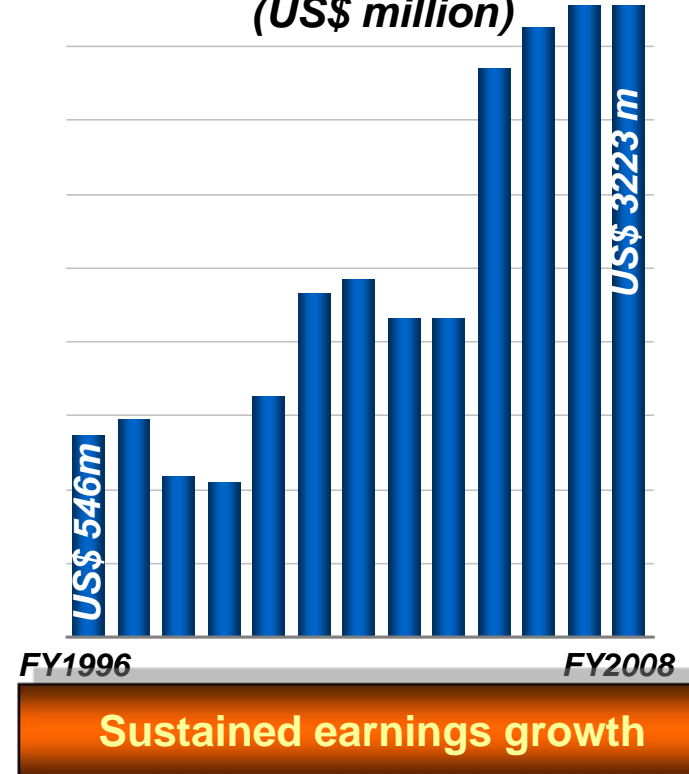
Energy in South Africa Conference
13 November 2008



Sasol today

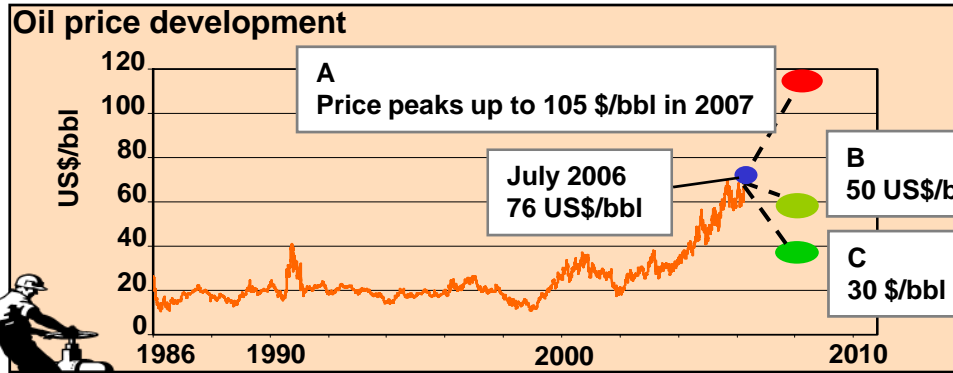
- Listed on the JSE in South Africa and the NYSE in the USA
 - Diverse shareholder base:
 - ~ 34,7% held outside SA
 - Market capitalisation: US\$ 26 billion
- Current Sasol CTL & GTL production capacity
 - Coal - 47 million tpa
 - Liquid fuels [coal & gas] - 194 000 bbl/d
 - Liquid fuels [crude oil] - 108 000 bbl/d
 - Natural gas - ~200 mmscfd (and growing to >300 mmscfd)
 - Sasol is also a large chemicals producer and exporter from SA

Earnings history
(US\$ million)





Energy Prices Determine the Market Mix

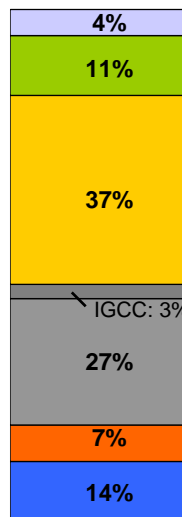
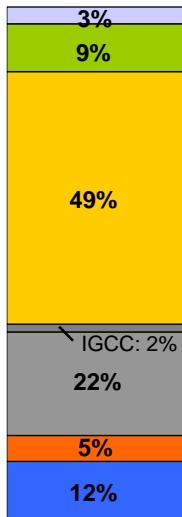


Low Demand/Low Price Scenario

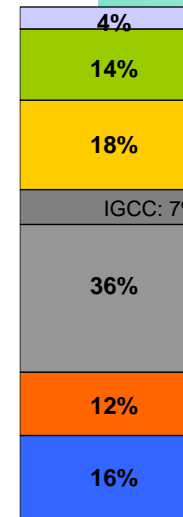
Reference Scenario 2011-2020

High Demand/High Price Scenario

- Oil price drops back to 40 \$/bbl
- Natural gas is preferred energy carrier
- Renewable energies are subsidized
- Nuclear: few new installations in the USA and EU, Japan



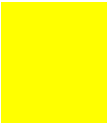
- Others *)
- Wind power
- Gas power plants
- Coal power plants
- Nuclear
- Hydro power



- Oil price increases to 100 \$/bbl
- New coal technologies with reduced emissions (IGCC)
- Extended utilization of renewable energies
- Revaluation of nuclear (new installations)

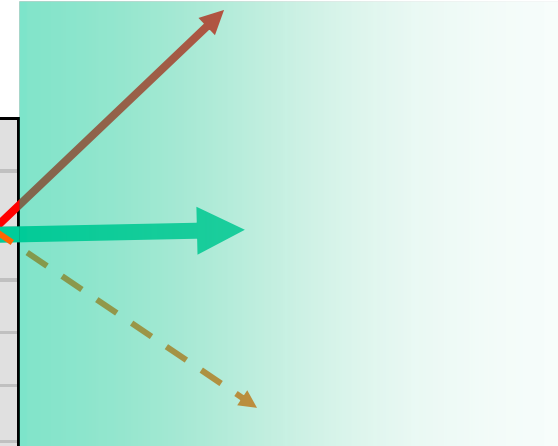
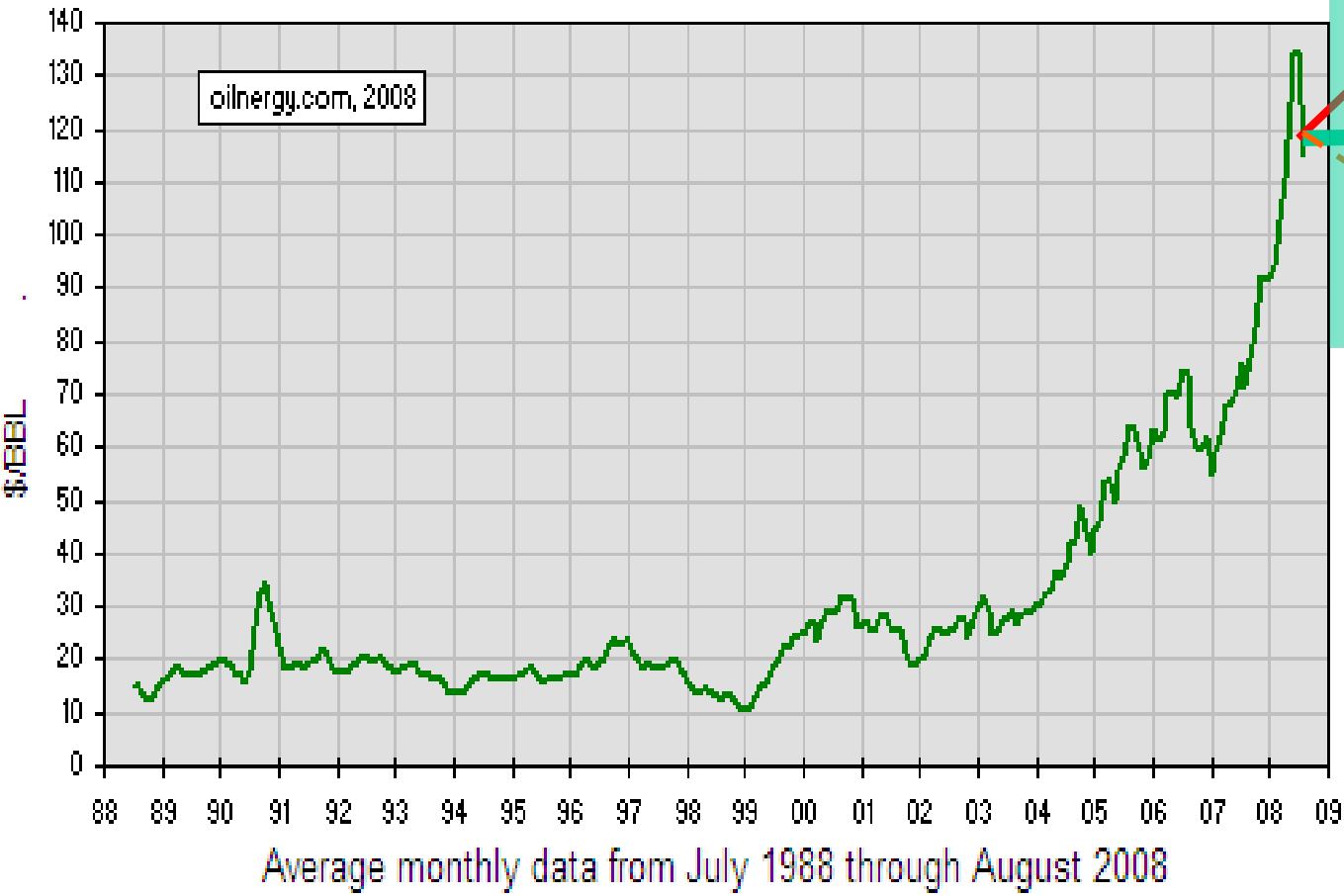
*) Solar, Geothermal, Biomass, Engines





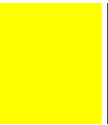
Crude Oil Price – July 2008

ICE Brent Crude Oil Closing Price (begin July 1988)

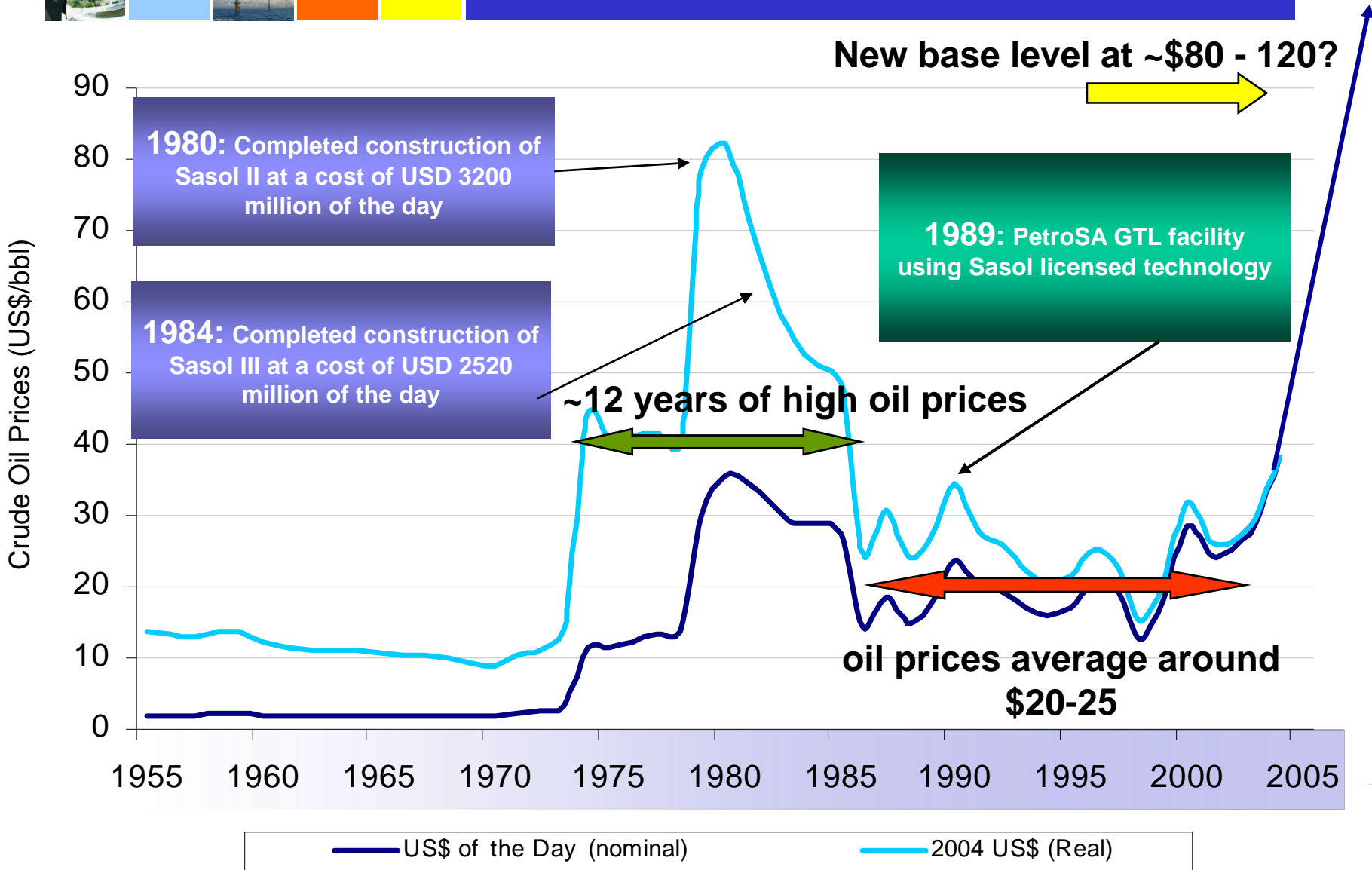


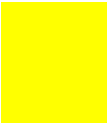
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CTL & GTL industry expansion in the 1970's



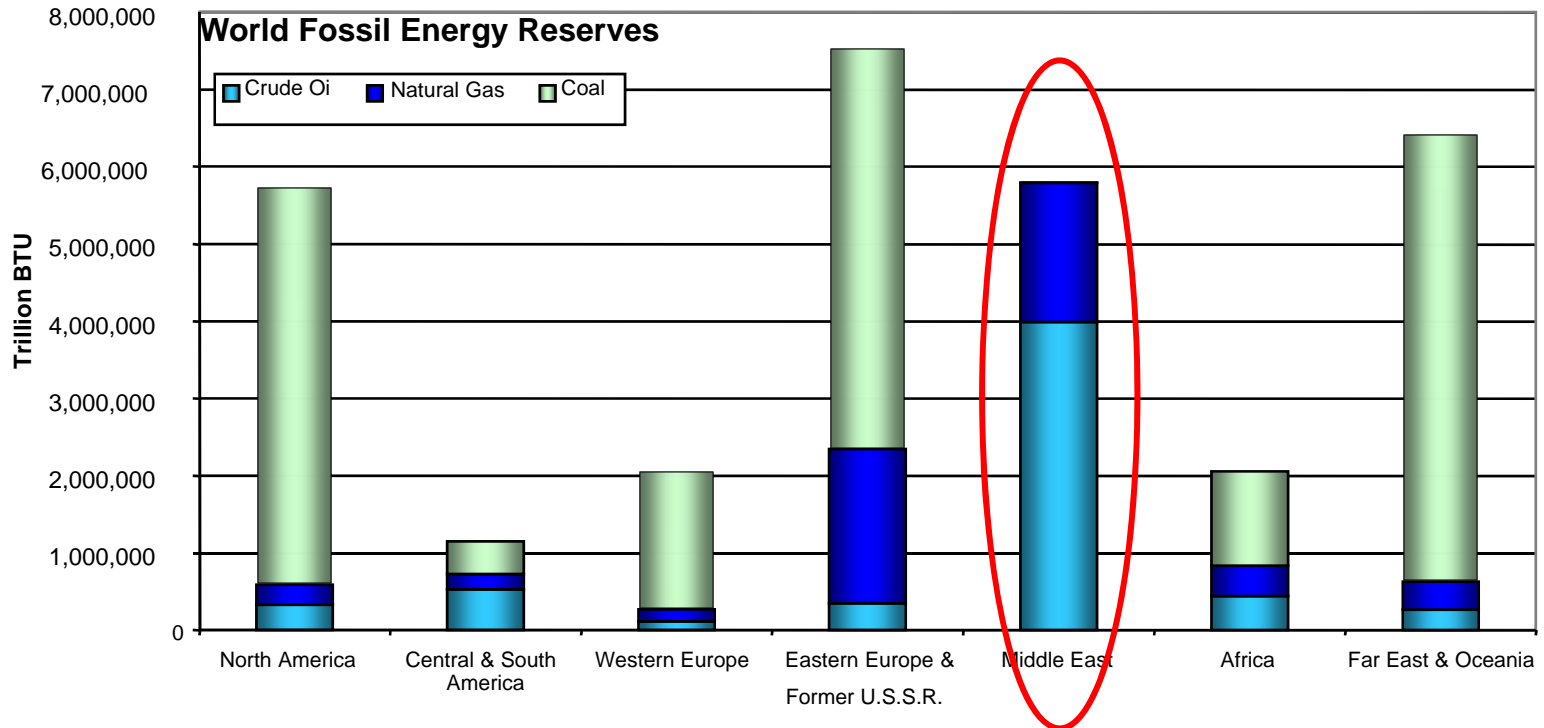


Coal is more abundant than oil & gas....

At current extraction & consumption rates, known reserves are:

- Crude Oil 40.5 years
- Natural gas 66.7 years
- **Coal 164 years**

Source : BP



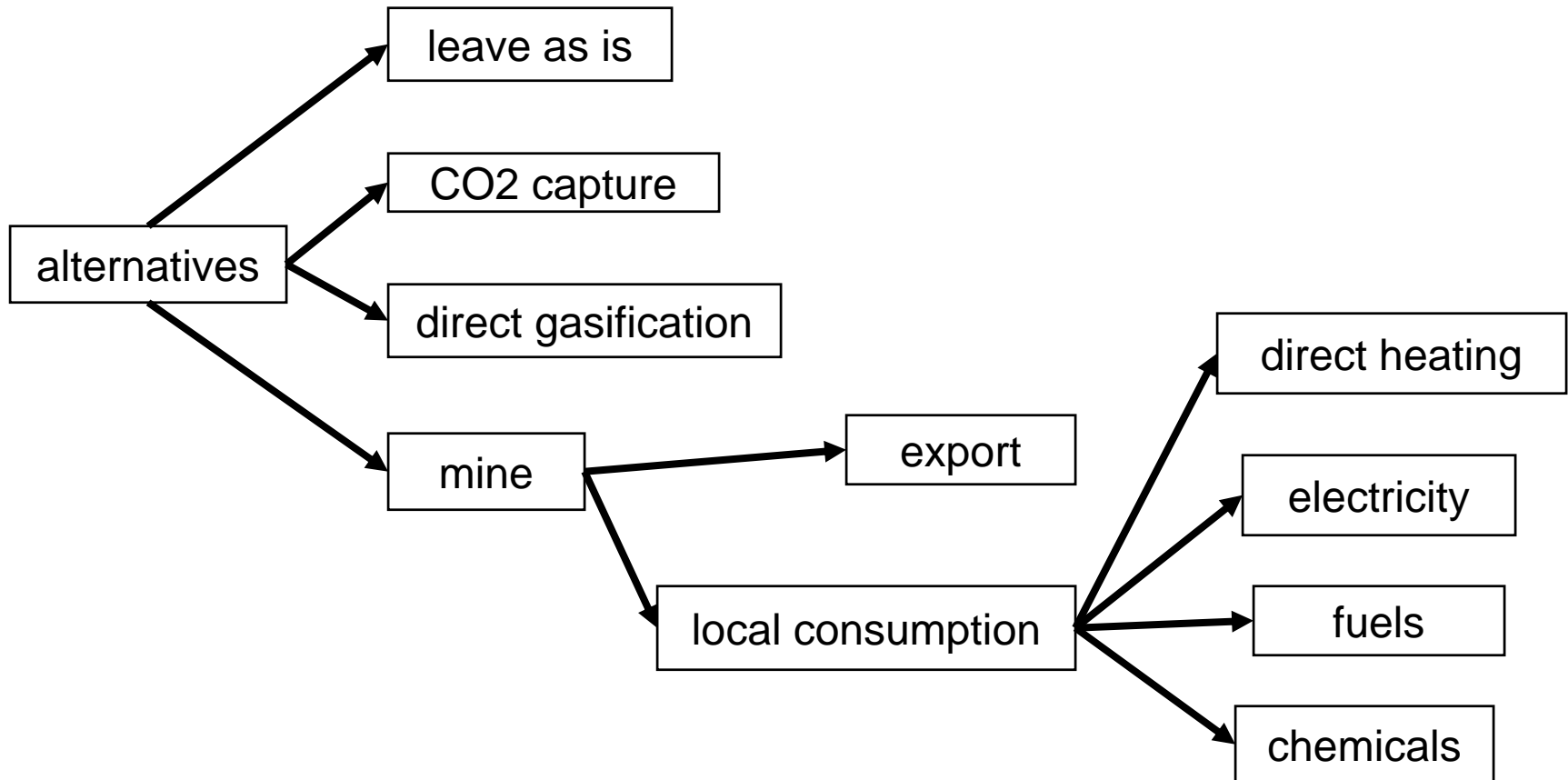
Coal reserves everywhere more than oil and gas.

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Coal alternatives



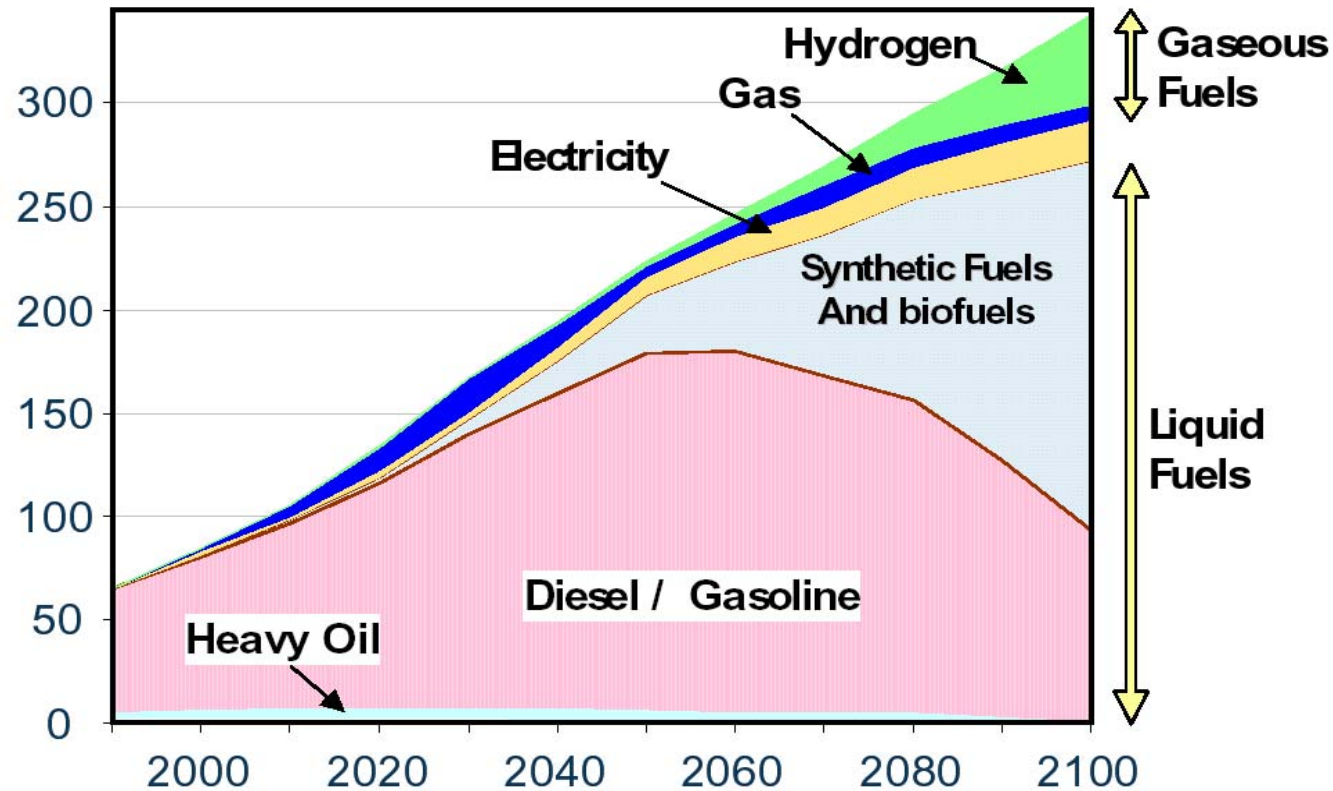
Fuel from coal once again becomes a real energy alternative for countries with large coal reserves





Global transport energy demand

Energy Demand ($\times 10^{18}$ J) ● Source : Shell, based World Energy Council data



Competing for a depleting resource

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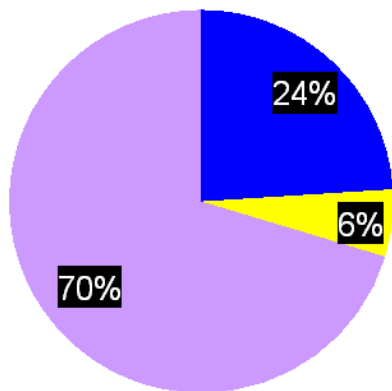




Coal dependence

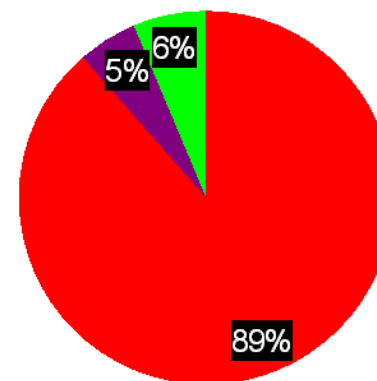
About 77% of SA's primary energy needs are provided by coal.

Feedstocks for SA's Liquid Fuels Production



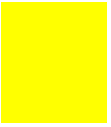
■ CTL ■ GTL ■ Crude Oil refineries

Feedstocks for SA Electricity Generation



■ Coal ■ Koeberg ■ Other

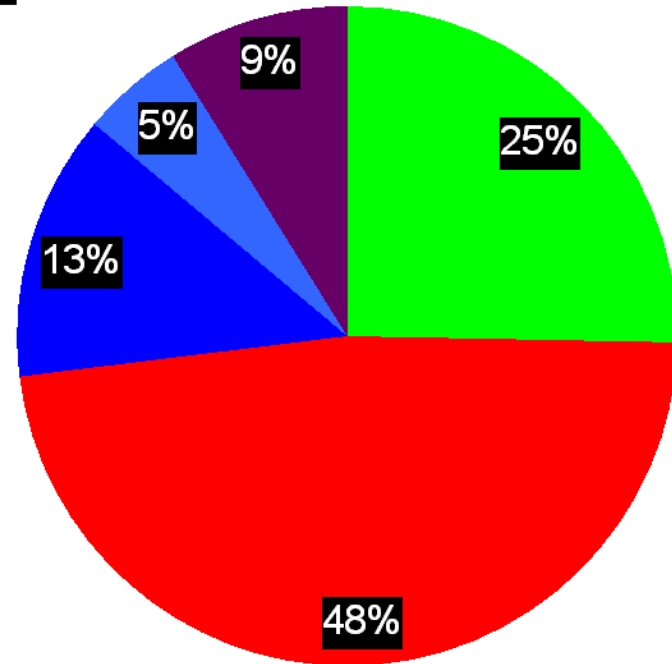




Current Coal demand distribution

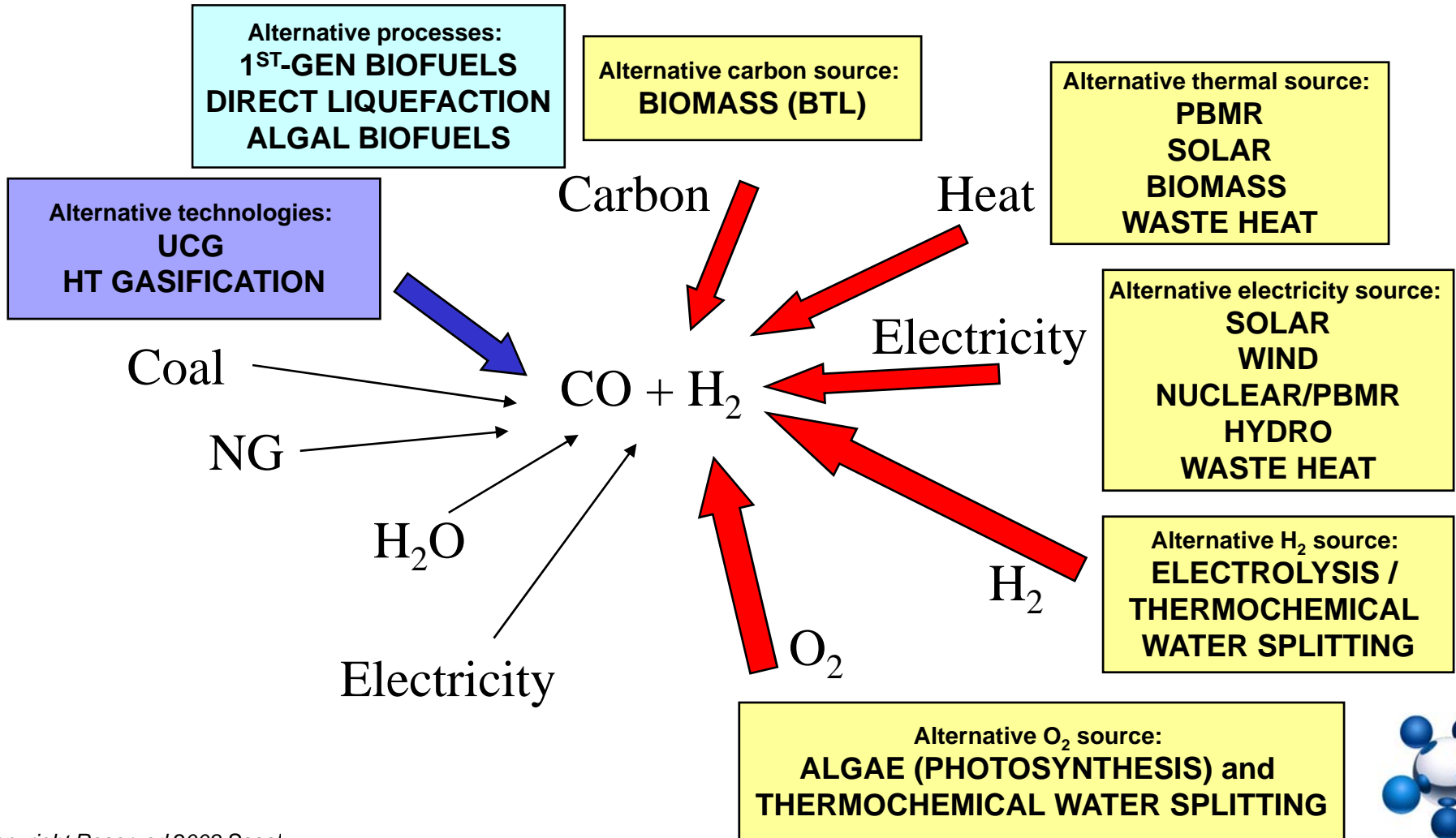
Distribution of coal demand

- Export market
- Electricity generation (Eskom)
- Petrochemical industry - liquid fuels (Sasol)
- Petrochemical industry - chemicals (Sasol)
- Other Industry

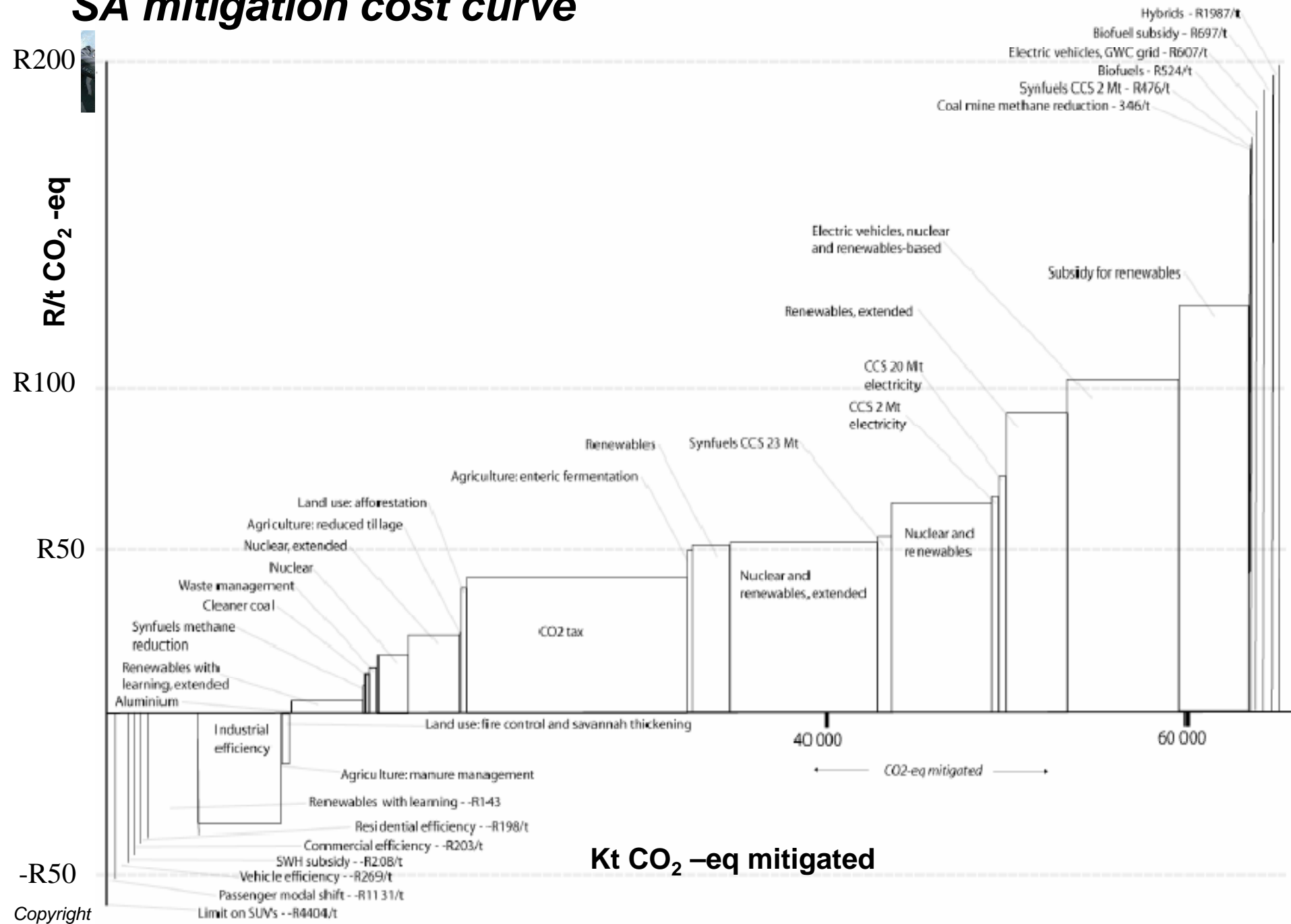




Future: Range of Resources



SA mitigation cost curve





Conclusions

- CTL provides the world with a real alternative to oil and gas
- FT technologies offer ways to produce low sulphur gasoline (via HTFT) and high quality diesel (via LTFT)
- With appropriate incentives CTL can make sense at a sustainable high crude price
- Conditions today similar to when Sasol was established

