

4 November 2013

The Chairman
Ports Regulator
Private Bag X54322
DURBAN
4000

Attention: The Chairman

Email: tariffcomments@portsregulator.org

Fax: (031) 365 7858

Dear Sir

TNPA TARIFF APPLICATION 2014/2015

RICHARDS BAY COAL TERMINAL PROPRIETARY LIMITED ("RBCT")

In response to the presentation held in Durban and attended by RBCT regarding the TNPA application for a tariff escalation for the 2014/2015 Financial period at an average escalation of 8.5%, RBCT wish to respond as follows:

Overall Escalation

As was raised by our Chief Executive Officer, Mrs N Siwisa-Damasane, we wish to raise a concern as to the magnitude of the average escalation of 8.5% with this being in excess of current inflation. In addition, it should be noted that the majority of commodities are currently in decline with prices at the low end of the market.

As noted on the day, it is again difficult to comment on averages without understanding, as in our case, what the escalation will be for coal cargo dues.

Coal Exports from RBCT

As requested by the Port Regulator, RBCT would like to advise that, based on the increased raiing by Transnet Freight Rail ("TFR"), it is expected that export volumes through RBCT will increase by up to 10% in the 2014 calendar year. The current forecast exports from the terminal for 2013 are 70 mt with 2014 budgeted at 77 mt.

It is RBCT's understanding that TNPA will be able to accommodate this volume increase with no additional infrastructural capital spend. This should therefore assist in minimising any increased recovery from exporters.

In conclusion, it would be greatly appreciated if the above would be considered in terms of assessing the final approved tariff escalation for TNPA for the 2014/2015 financial year.

Should you require any additional information, please do not hesitate to contact me.

Yours faithfully,

For and on behalf of

RICHARDS BAY COAL TERMINAL PROPRIETARY LIMITED

A handwritten signature in black ink, appearing to read 'Alan Waller', with a long horizontal stroke extending to the right.

ALAN WALLER

GENERAL MANAGER FINANCE