

**EXTRACT OF THE MINUTES OF THE MEETING OF DIRECTORS OF COROBRIK (PTY)
LIMITED (REGISTRATION No. 1962/003262/07)**

MEETING HELD ON 28TH MARCH 2007

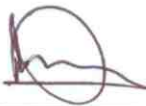
1351 DRIEFONTEIN FACTORY – NATURAL GAS FIRING CONVERSION OF KILN

Mr du Trevou explained to the Board that this project is now costed at about R11 million as opposed to the amount previously reported.

RESOLVED

THAT the company proceeds with the Driefontein natural gas conversion at a cost of R11.1 million and that PETER CHARLES du TREVOU or CHRISTOPHER JOHN LEE or DIRK JACOBUS MEYER be and is hereby authorised to conduct negotiations, sign all documents and do all things necessary to give effect hereto.

Certified as a true extract.



DJ MEYER
Managing Director



JP THESSAL
Director

ATTACHED DOCUMENT AS ENCLOSED IN THE COROBRIK (PTY) LTD
BOARD PACK FOR THE MEETING OF THE BOARD OF DIRECTORS
HELD ON 28TH MARCH 2007

TO: BOARD OF DIRECTORS

FROM: OPERATIONS DIRECTOR

**COROBRIK DRIEFONTEIN FACTORY
NATURAL GAS FIRING CONVERSION OF KILN**

In terms of the agreement approved and concluded with Sasol Gas, natural gas will be supplied to the Driefontein Factory at the end of October 2007. It is necessary to convert the current producer gas firing system to natural gas.

The project scope includes the following:

Item	Cost
Kiln Burner & Control System	R 5.2 million
Air, Gas & Electrical Reticulation	R 3.9 million
New Thermocouples & Compensating Cables	R 0.3 million
Upgrade Kiln Transformer, Switchgear & Cables	R 0.9 million
Labour	R 0.8 million
Total Cost	R11.1 million

The project duration is nine months. Swindell Dressler, the existing kiln designers and builders, would be contracted to supply burners and fire controls. Domestic suppliers and contractors will supply the reticulation materials, electrical equipment and labour.

In October 2006, it was estimated that the conversion cost would be R 5.0 million. This was based on the use of the existing gas and air reticulation system. Detailed investigation has revealed that the current reticulation system is not safe at natural gas supply and operating pressures. Consequently, the existing equipment must be replaced. This currency weakening and inflation have increased the conversion cost to R 11.1 million.

Cash proceeds from the sale of the existing gas producers cannot be quantified at this stage. On project approval, both domestic and international buyers will be sought. The gas producers are obsolete and therefore, a limited market exists for this equipment.

The installation of new equipment is planned to proceed whilst the factory is in operation. The commissioning of the new burners is planned for the first two weeks of November 2007. During this period, natural gas burners will be systematically installed as producer gas burners are removed. The kiln will not be shut down, but production will be limited and of variable quality.

The Board is aware of the UNFCCC, CDM Mechanism and the sale of CER's at the Lawley Factory. The Driefontein fuel switch is expected to yield an estimated reduction of 17000 tonnes CO₂ per annum with a potential present value of R 6.0 million.

This reduces project cost to R 5.1 million. In view of the significant environmental benefit and potential sales of CER's, approval is requested to proceed with the natural gas conversion at a cost of R 11.1 million.

D J MEYER
Operations Director
17 January 2007