

CORPORATE GOVERNANCE STATEMENT

For the year ended 30 September 2009

INTRODUCTION

The Company is committed to applying high standards of corporate governance, integrity and business ethics to all activities. The Company is not required by the rules of AIM to comply with the Combined Code on Corporate Governance (June 2008) (“the Code”). However, the Board is accountable to the Company’s shareholders for good corporate governance and has therefore taken steps to aspire to compliance with the Code in so far as is practicable as a smaller company.

The Company’s primary listing is on the AIM market of London Stock Exchange and as a result, the Group is exempt from complying with the requirements of the King Code of corporate governance in South Africa.

THE BOARD OF DIRECTORS

The Group supports the concept of an efficient and effective Board managing the Company in an entrepreneurial manner. The Board is responsible for approving the Company policy and strategy with regard to management structure and senior appointments, strategic or policy considerations, capital transactions, finance and general matters. It meets regularly and has a schedule of matters specifically reserved to it for decision which include raising new capital, entering into financing facilities for projects, treasury policies and approval of annual operating budgets. The Board met ten times during the year to 30 September 2009. Management supplies the Board with appropriate and timely information that they consider necessary.

The current Board consist of four executive directors and four non-executive directors. Neil Bryson is the only non-executive director who is regarded under the Code as independent. Stephen Hargrave has significant shareholding in the Company, James West holds cross directorships with other directors through involvement in other companies and Rizelle Sampson has an indirect interest in the shares of the Company, all being circumstances which may appear to impact their independence. Neil Bryson has been appointed to all the committees of the Board and is regularly consulted at a senior level on business operations and strategy. The Chairman of the Board is Stephen Hargrave, who is also Chairman of two other companies and is a trustee of 3 registered charities. The Chief Executive Officer is Peter Earl.

All directors are involved in significant decisions. The Chief Executive Officer, Peter Earl, leads the executive directors with particular regard to the protection and enhancement of shareholder value, project financing arrangements, government and public relations and dialogue with shareholders. Elizabeth

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Shaw has responsibility for the day to day operations of the Group, Michael Cox has responsibility for financial matters and Mike Eyre has responsibility for technical operations and engineering matters.

RELATIONS WITH SHAREHOLDERS

The Group values the views of its shareholders and recognises their interest in the Group's strategy and performance, Board membership and quality of management. It therefore holds regular meetings with its institutional shareholder to discuss objectives.

The Annual General Meeting ("AGM") is used to communicate with private investors and they are encouraged to participate. The Chairman of each of the Audit, Remuneration and Nominations Committees are available to answer questions. Separate resolutions are proposed on each issue so that they can be given proper consideration and there is a resolution to approve the annual report and accounts. The Company counts all proxy votes and will indicate the level of proxies lodged on each resolution, after it has been dealt with by a show of hands.

ACCOUNTABILITY AND AUDIT

The Board seeks to present a balanced and understandable assessment of the Group's position and prospects in all interim and price-sensitive reports, reports to regulators and the information required by statute.

The Audit Committee comprises Jimmy West, Stephen Hargrave and Neil Bryson, who are all non-executive directors. Jimmy West, who has recent and relevant financial experience, is the Chairman of the Audit Committee.

The terms of reference of the Audit Committee include keeping under review the scope and results of the external audit and its cost effectiveness. The Committee reviews the independence and objectivity of the external auditors. This includes reviewing the nature and extent of non-audit services supplied by the external auditors to the Group, seeking to balance objectivity and value for money.

INTERNAL CONTROL

The Board of Directors has overall responsibility for the Group's system of internal control and for reviewing its effectiveness. The risk management process and the systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Group's objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against misstatement or loss.

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ASSESSMENT OF BUSINESS RISK

A system of business risk identification, assessment and evaluation is in place within the management process through the Group. Strategic risks are regularly reviewed by the Board. Risk relating to the key activities within the subsidiary operation units is assessed continuously by their respective boards of directors. Further details are set out in note 26.

CONTROL ENVIRONMENT

The Group's operating procedures include a comprehensive system for reporting financial and non-financial information to the Board including:

- preparation and review of annual budgets
- review of the business at each Board meeting, focusing on any new risks arising (for example key changes in the market).

CONTROL PROCEDURES

Detailed operational procedures have been developed to safeguard shareholders' investments and the Company's assets that embody key controls and these are reviewed annually by the Board. The implications of changes in law and regulations are taken into account within these procedures.

MONITORING PROCESS

There are clear procedures for monitoring the system of key controls. The significant components are a review by the Audit Committee of the processes for identifying and assessing risk and the effectiveness of controls. The Board has considered the need for an internal audit function but has decided that is not justified at present. However, it will keep the decision under review on at least an annual basis.

DIRECTOR'S REMUNERATION

The Board recognises that director's remuneration is of legitimate concern to the shareholders and it is committed to following current best practise. The particulars of the remuneration of the directors are set out in note 30 and their interests in the shares of the Company are set out in the Directors' Report. The Remuneration Committee comprises Neil Bryson (Chairman) and Stephen Hargrave.

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APPOINTMENT OF DIRECTORS

The Nominations Committee meets to make recommendations to the Board on all new Board appointments and comprises Stephen Hargrave and Neil Bryson. The Board does not use an external consultancy in the appointment of directors.

Elizabeth Shaw

Director

29 March 2010