

INTRODUCTORY REMARKS BY MR BRIAN MOLEFE, GCE: TRANSNET SOC Ltd ON THE OCCASION OF THE COMMISSIONING OF THE NMPP

Date: 11 January 2012

Venue: TM2 Heidelberg

Today is an occasion to mark the achievement of significant milestones in the construction of the New Multi-Product Pipeline (NMPP). We are here to celebrate the commissioning of the NMPP, one of the country's most significant capital investment programmes, a legacy asset, with an economic lifeline that will last more than 75 years.

Please allow me to briefly highlight the following significant achievements which we believe are crucial for us to share with you and your audiences.

- Firstly, we have completed the construction of the 16 inch network, which has been running for the last nine months between Kendal and Waltloo; Jameson Park (Heidelberg) to Alrode; and Alrode to Langlaagte.
- Secondly, we have finished the construction of the 555 km 24 inch trunk line between Durban and Jameson Park.
- Lastly, we have completed the building of all three pump stations at Tweni in Durban, Hilltop near Pietermaritzburg and Mnambithi Pump Station near Ladysmith.

Most importantly, all construction of the 712 km pipeline network of the project is complete and commissioned.

In addition, two terminals will be completed in 2013. These are:

- The coastal terminal at Island View in the Port of Durban; and
- The inland terminal here at Jameson Park which is already under construction.

When it is completed in its entirety, the NMPP will be able to carry five products. This includes 95 and 93 unleaded petrol, 500 and 50 PPM diesel and jet fuel.

The forecast cost of this project is R23.4 billion which is within the approved budgeted cost.

Ladies and gentlemen, we have completed one of the most cutting-edge and innovative infrastructure investments in the world. Today we are initiating the flow of fuel from Island View in Durban to where we are, Jameson Park.

In delivering the NMPP to South Africa, Transnet is fulfilling two commitments, firstly, ensuring that the inland market demand is met or – as my colleague Charl Moller likes to put it – keep Gauteng wet. Secondly it is to ease road congestion by reducing the number of tankers on our roads.

In short, the NMPP is the greenest, safest and most cost effective method of fuel delivery. Of this we are proud.

We are now able to concurrently run the Durban-to-Johannesburg Pipeline and the NMPP with petroleum products that will see some 3 million litres per hour, 112

million litres of fuel flowing between Durban and Johannesburg every week. The total capacity will be 26.7 billion litres per annum

In 2009, Transnet committed to securing inland fuel supply by 2011, and today, we affirmed that commitment.

As you have heard our programme allows for a product demonstration and later today, I will be proud to present you with the very first fuel delivered to Jameson Park through our brand new Multi-Product Pipeline.

Thank you